



housing plan

2011



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EXISTING CONDITIONS

The Cherry Hill Planning Board adopted a Housing Plan in May of 2009, which the Township Council subsequently endorsed. Since that time, the Appellate Division invalidated, among other things, the growth share methodology used to determine the Township's third round housing obligation. The purpose of this plan amendment is to seek a judgment of compliance and repose as to the Township's rehabilitation obligation and prior round obligation as the Township awaits a determination of its post 1999 housing responsibilities. The Township and Planning Board reserve the right to make further changes to this Housing Element and Fair Share Plan. The need or desirability of a change may arise from any of a number of reasons, including direction from the court. Therefore, there should be no expectation that this plan may not be altered.

New Jersey's Fair Housing Act of 1985 and the Municipal Land Use Law (MLUL) require municipalities to adopt a housing element that addresses the municipal present and prospective housing need, with particular attention to low and moderate income housing. A housing element shall contain at least the following:

1. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics and type including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated;
2. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the next 10 years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
3. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
4. An analysis of the existing and probable future employment characteristics of the municipality;
5. A determination of the municipality's present and prospective fair share for low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low and moderate income housing; and
6. A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing.

HOUSING

As of the 2000 Census¹, there were 27,074 housing units in Cherry Hill. The vast majority of the

UNITS IN STRUCTURE - Universe: Housing units

	New Jersey		Gloucester		Burlington		Camden		Cherry Hill	
Total:	3,310,275	(x)	95,054	(x)	161,311	(x)	199,679	(x)	27,074	(x)
1, detached	1,794,967	54.2%	69,213	72.8%	104,299	64.7%	110,170	55.2%	19,712	72.8%
1, attached	285,268	8.6%	7,147	7.5%	22,090	13.7%	38,648	19.3%	2,357	8.7%
2	331,393	10.0%	2,850	3.0%	3,783	2.3%	8,784	4.4%	194	0.7%
3 or 4	223,580	6.8%	2,944	3.3%	6,374	3.9%	6,439	3.2%	555	2.0%
5 to 9	160,249		3,184	3.1%	8,196	5.1%	6,971	3.5%	483	1.8%
10 to 19	161,666	4.9%	3,284	3.5%	7,251	4.5%	8,528	4.3%	403	1.5%
20 to 49	121,452	3.7%	1,669	1.8%	2,999	1.9%	5,590	2.8%	218	0.8%
50 or more	197,313	6.0%	2,000	2.1%	3,810	2.4%	12,962	6.5%	2,999	11.1%
Mobile home	33,600	1.0%	2,746	2.9%	2,477	1.5%	1,560	0.8%	153	0.6%
Boat, RV, van, etc.	787	0.0%	17	0.0%	32	0.0%	27	0.0%	0	0.0%

U.S. Census Bureau, 2000

housing units, 96.9 percent, were occupied. Of the 26,227 occupied housing units, 21,751 (82.9 percent) were owner occupied and 4,476 (17.1 percent) were renter occupied.

OCCUPANCY STATUS & TENURE: Housing units

	Camden County		Cherry Hill	
	#	%	#	%
Occupied	185,744		26,227	
Vacant	13,935	6.98%	847	3.13%
Owner-Occupied	130,007	70.0%	21,751	82.9%
Renter-Occupied	55,737	30.0%	4,476	17.1%
Total	199,679	100%	22,074	100%

U.S. Census Bureau, 2000

As of the 2000 Census, 72.8 percent of the Township's housing stock consisted of single family detached dwellings, while only 2.7 percent of the housing stock comprised structures containing two to four units. The balance of housing stock in the Township included 8.7 percent of single family attached units, with the remainder of housing comprised of structures containing five or more units per building, including 11.1 percent of housing comprised of buildings with 50 or more units.

The median value of sales housing in Cherry Hill, as of the 2000 Census, was \$154,900, far less than the median housing value for the State (\$170,800), yet significantly higher than the median value reported for Camden County as a whole (\$111,200). Forty-three percent of the Township's housing stock was valued between \$125,000 and \$175,000; and nearly 70 percent (69.3) of the housing stock was valued between \$100,000 and \$200,000. The median gross rent in Cherry Hill was \$793 as of the 2000 Census, which was higher than the state (\$751) or any of the counties within COAH region 5.

¹ The detailed 2010 Census is not yet available.

VALUE FOR SPECIFIED OWNER-OCCUPIED HOUSING UNITS

Specified Owner-Occupied Housing Units

	Camden County			Cherry Hill		
	#	%	Cumulative %	#	%	Cumulative %
Less than \$10,000	248	0.20%	0.20%	0	0.00%	0.00%
\$10,000 to \$14,999	388	0.30%	0.50%	11	0.10%	0.10%
\$15,000 to \$19,999	407	0.30%	0.90%	15	0.10%	0.10%
\$20,000 to \$24,999	767	0.60%	1.50%	19	0.10%	0.20%
\$25,000 to \$29,999	1,104	0.90%	2.40%	12	0.10%	0.30%
\$30,000 to \$34,999	1,282	1.10%	3.50%	7	0.00%	0.30%
\$35,000 to \$39,999	1,681	0.40%	4.90%	14	0.10%	0.40%
\$40,000 to \$49,999	3,415	2.80%	7.70%	31	0.20%	0.50%
\$50,000 to \$59,999	3,515	2.90%	10.60%	20	0.10%	0.60%
\$60,000 to \$69,999	4,854	4.00%	14.60%	53	0.30%	0.90%
\$70,000 to \$79,999	6,148	5.10%	19.70%	208	1.00%	1.90%
\$80,000 to \$89,999	11,537	9.50%	29.20%	475	2.40%	4.30%
\$90,000 to \$99,999	13,686	11.30%	40.60%	853	4.20%	8.50%
\$100,000 to \$124,999	25,453	21.10%	61.60%	2,814	14.00%	22.50%
\$125,000 to \$149,999	18,435	15.30%	76.90%	4,764	23.70%	46.20%
\$150,000 to \$174,999	10,287	8.50%	85.40%	3,886	19.30%	65.60%
\$175,000 to \$199,999	6,035	5.00%	90.40%	2,467	12.30%	77.80%
\$200,000 to \$249,999	5,607	4.60%	95.00%	2,479	12.30%	90.20%
\$250,000 to \$299,999	2,461	2.00%	97.00%	841	4.20%	94.30%
\$300,000 to \$399,999	1,940	1.60%	98.70%	516	2.60%	96.90%
\$400,000 to \$499,999	832	0.70%	99.30%	348	1.70%	98.60%
\$500,000 to \$749,999	651	0.50%	99.90%	247	1.20%	99.90%
\$750,000 to \$999,999	70	0.10%	99.90%	18	0.10%	100.00%
\$1,000,000 or more	78	0.10%	100.00%	9	0.00%	100.00%
Total	120,881	(x)	(x)	20,107	(x)	(x)

U.S. Census Bureau, 2000

Note: Percentages may not add due to rounding error.

GROSS RENT: Specified Renter-Occupied Housing Units

	New Jersey	Burlington County	Gloucester County	Camden County	Cherry Hill
With cash rent:	96.8%	91.9%	94.8%	97.3%	96.2%
Less than \$200	4.9%	1.5%	6.9%	6.7%	4.1%
\$200 to \$299	3.3%	1.6%	4.1%	3.7%	3.6%
\$300 to \$499	8.8%	6.2%	12.5%	13.7%	5.8%
\$500 to \$749	32.8%	39.5%	44.6%	44.7%	27.7%
\$750 to \$999	30.9%	32.2%	23.1%	21.5%	34.4%
\$1,000 or more	19.2%	19.1%	8.9%	8.7%	24.4%
No cash rent	3.2%	8.1%	5.2%	2.7%	3.8%
Total	1,049,127	34,581	18,017	55,580	4,476
Median Gross Rent	\$751	\$758	\$645	\$635	\$793

U.S. Census Bureau, 2000

Units Affordable to Low & Moderate Income Households

Low income households are defined as those households earning less than or equal to 50 percent of a regional median income. Moderate income households earn more than 50 percent of median but less than 80 percent.

COAH has developed a sliding scale defining the income of eligible low and moderate income households. For example, the median income of a household of one (1) is less than for a household of two (2). COAH has determined separate median incomes for households of one person up to households of eight persons by region.

Similarly, housing units are to be priced to be affordable to households who could reasonably be expected to live within the housing units. For example, the current COAH rules require that an efficiency unit be affordable to a household of one (1). The average one (1) bedroom unit must be affordable to a one and one-half (1.5) person household. Similarly, the average two (2) and three (3) bedroom units must be affordable to households of 3.0 and 4.5, respectively. The following table displays COAH's 2000 income limits by household size for Region 5. The income of a 1.5 person and 4.5 person household must be determined by interpolation.

Income Limits (COAH Region 5)					
Persons	1	2	3	4	5
Moderate	\$32,368	\$36,992	\$41,616	\$46,240	\$49,939
Low	\$20,230	\$23,120	\$23,010	\$28,900	\$31,212

To be affordable, a home owner should not be paying more than 28 percent of its gross income on principal, interest, taxes, and insurance, subsequent to a five percent down payment. A rental unit is affordable if the household is paying no more than 30 percent of its income on rent and utilities. To illustrate, the average three-bedroom rental should be affordable to a household of 4.5 people. Assuming that a 4.5 person moderate income household earned \$48,090 in 2000, the monthly rent and utilities for an affordable three bedroom unit could not exceed \$1,202.

It is difficult to determine how many for sale units were affordable to low and moderate income households when the census was taken. To make this calculation properly would require an analysis of 2000 income limits, interest rates and tax rates. However, noting that most of the owner occupied housing units in Cherry Hill comprise three or more bedrooms per unit (36 percent are three (3) bedroom units), an owner occupied unit would have been considered affordable if it could be purchased by a moderate income household of 4.5 people. Assuming a household could afford a home priced at 3.0 times the household income, a household earning \$48,090 in 2000 could afford a \$144,270.

The Census reports the value of 20,107 owner occupied housing units in Cherry Hill. Of this total, 9,296 units, or 46.2 percent were valued at less than \$150,000 at the time of the Census. It is clear that owner occupied housing is relatively affordable within the Township.

With regard to rentals, it is assumed that an efficiency unit should be affordable to a one person household. A one-bedroom unit should be affordable to a 1.5 person household. A two-bedroom unit should be affordable to a three person household; and a three bedroom unit should be affordable to a 4.5 person household. Given these standards, rent plus utilities on an affordable efficiency, one, two and three bedroom unit could not exceed \$809, \$867, \$1,040 and \$1,202, respectively in 2000. For purposes of calculating affordability, the Township assumes that utilities cost: \$60 per month for an efficiency unit; \$75 for a one (1) bedroom unit; \$95 for a two (2) bedroom unit; and \$110 for a three (3) bedroom unit. Thus, an affordable moderate income rent, by COAH standards, may be estimated to be: \$749 for an efficiency unit; \$792 for a one (1) bedroom unit; \$945 for a two bedroom unit; and \$1,092 for a three (3) bedroom unit.

By applying these standards to the rents presented on the following page, one can determine that: 325 efficiency units; at least 1,008 one-bedroom units; at least 342 two-bedroom units; and, at least 215 three-bedroom units were affordable to moderate income households at the time of the Census. More rentals are likely to have been affordable to moderate income households at the time of the Census; however, the Census reports rents in specific ranges, for example \$500 to \$749, or all rents over \$1,000. For example, the Census does not report on rents between \$1,000 and \$1,250 or on rents between \$1,250 and \$1,500, etc. Thus, it is not possible to determine specifically how many of the one, two or three-bedroom units were affordable as of the 2000 Census.

BEDROOMS BY GROSS RENT: Specified Renter-Occupied Housing Units

	New Jersey	Burlington County	Gloucester County	Camden County	Cherry Hill
No bedroom:	66,003	1,223	614	3,364	554
With cash rent:	65,222	1,178	599	3,320	549
Less than \$200	7,503	39	52	440	70
\$200 to \$299	4,370	28	34	185	41
\$300 to \$499	11,992	209	175	825	41
\$500 to \$749	25,195	583	292	1,293	173
\$750 to \$999	11,358	212	32	305	55
\$1,000 or more	4,804	107	14	272	169
No cash rent	781	45	15	44	5
1 bedroom:	410,630	13,585	7,056	22,827	1,618
With cash rent:	405,868	13,289	6,935	22,648	1,618
Less than \$200	26,958	324	787	2,049	101
\$200 to \$299	18,637	359	448	1,138	112
\$300 to \$499	42,737	1,132	1,080	3,882	138

\$500 to \$749	165,615	7,815	3,973	12,495	657
\$750 to \$999	113,477	2,937	451	2,446	484
\$1,000 or more	38,444	722	196	638	126
No cash rent	4,762	296	121	179	0
2 bedrooms:	372,412	12,195	6,254	18,606	1,475
With cash rent:	361,214	11,466	5,929	18,217	1,425
Less than \$200	10,331	78	284	804	7
\$200 to \$299	7,231	60	168	483	0
\$300 to \$499	23,430	372	573	1,528	61
\$500 to \$749	106,811	3,288	2,465	8,141	274
\$750 to \$999	133,897	5,478	2,175	5,987	824
\$1,000 or more	79,514	2,190	264	1,274	259
No cash rent	11,198	729	325	389	50
3 or more bedrooms:	200,082	7,578	4,093	10,783	829
With cash rent:	183,025	5,831	3,613	9,913	713
Less than \$200	4,908	29	59	320	0
\$200 to \$299	3,320	55	43	211	0
\$300 to \$499	11,548	253	303	1,171	10
\$500 to \$749	35,844	859	885	2,784	87
\$750 to \$999	55,268	1,595	1,282	2,895	118
\$1,000 or more	72,137	3,040	1,041	2,532	498
No cash rent	17,057	1,747	480	870	116
Total	1,049,127	34,581	18,017	55,580	4,476
Median Gross Rent	\$751	\$758	\$645	\$635	\$793

U.S. Census Bureau, 2000

Characteristics of Housing Stock

Detailed characteristics of housing, as it existed at the time of the 2000 Census, are displayed below. The data demonstrate that only 7.4 percent of the housing stock in Cherry Hill was constructed prior to 1950, while for Camden County, 29 percent of the housing stock was constructed prior to 1950. Studies have shown that the condition of the housing stock is inversely related to its age. Thus, it is prudent for the Township to monitor the condition of its housing stock over time. It is also prudent to administer or participate in a program designed to eliminate housing code violations as the Township's housing stock continues to age.

Year Structure Built: Housing Units

Year Built	Camden County		Cherry Hill	
	#	%	#	%
1999 to 2000 (March)	1,329	0.7%	27,074	0.7%
1995 to 1998	6,441	3.2%	175	2.9%
1990 to 1994	8,984	4.5%	779	3.5%
1980 to 1989	23,058	11.5%	952	13.9%
1970 to 1979	33,132	16.6%	3,772	21.0%
1960 to 1969	34,358	17.2%	5,686	32.9%
1950 to 1959	34,428	17.2%	8,908	17.7%
Total Units Built Prior to 1950	57,969	29.0%	4,776	7.4%
1940 to 1949	20,392	10.2%	1,147	4.2%
1939 or earlier	37,577	18.8%	879	3.2%
Total	199,679	(x)	27,074	(x)

U.S. Census Bureau, 2000

The data show that in the Township of Cherry Hill, 87.1 percent (18,944 units) of owner occupied housing in 2000 consisted of three (3) or more bedrooms. Most of the rental units (3,647 units or 81.5%) are designed for smaller households (two bedrooms or less).

TENURE BY BEDROOMS: Occupied Housing Units

	Camden County		Cherry Hill	
	#	%	#	%
Owner-Occupied	130,007	(x)	21,751	(x)
No Bedroom	671	0.5%	31	0.1%
1 bedroom	3,655	2.8%	493	2.3%
2 bedrooms	18,206	14.0%	2,283	10.5%
3 bedrooms	66,846	51.4%	7,825	36.0%
4 bedrooms	34,492	26.5%	9,339	42.9%
5+ bedrooms	6,137	4.7%	1,780	8.2%
Renter-Occupied	55,737	(x)	4,476	(x)
No Bedroom	3,382	6.1%	554	12.4%
1 bedroom	22,851	41.0%	1,618	36.1%
2 bedrooms	18,650	33.5%	1,475	33.0%
3 bedrooms	9,072	16.3%	577	12.9%
4 bedrooms	1,437	2.6%	217	4.8%
5+ bedrooms	345	0.6%	35	0.8%
Total	185,744	(x)	26,227	(x)

U.S. Census Bureau, 2000

The following data show that 89.9 percent of the homes in Cherry Hill are heated with oil or gas. Nine (9) percent of dwellings in Cherry Hill are heated by electricity.

HOUSE HEATING FUEL: Occupied Housing Units

Type of Fuel	Camden County		Cherry Hill	
	#	%	#	%
Utility Gas	133,942	72.1%	21,259	81.1%
Bottled, Tank, or LP Gas	2,416	1.3%	153	0.6%
Electricity	16,893	9.5%	2,365	9.0%
Fuel Oil, Kerosene, etc.	3,055	9.1%	2,295	8.8%
Coal/Coke	53	0.0%	10	0.0%
Wood	178	0.0%	20	0.1%
Solar	22	0.0%	6	0.0%
Other Fuel	974	0.0%	80	0.3%
No Fuel	711	0.4%	39	0.1%
Total	185,744	(x)	26,227	(x)

U.S. Census Bureau, 2000

As demonstrated in the following table, the vast majority of housing units in the Township have complete plumbing and kitchen facilities.

KITCHEN, PLUMBING & TELEPHONE SERVICE AVAILABLE: Housing Units

	Camden County		Cherry Hill	
	#	%	#	%
With Telephone Service Available*	180,721	97.3%	26,119	99.6%
No Telephone Service Available*	5,023	2.7%	108	0.4%
Complete Plumbing Facilities	196,705	98.5%	27,032	99.8%
Lacking Complete Plumbing Facilities	2,974	1.5%	42	0.2%
Complete Kitchen Facilities	196,356	98.3%	26,739	98.8%
Lacking Complete Kitchen Facilities	3,323	1.7%	335	1.2%
Total	199,679	(x)	27,074	(x)

*U.S. Census Bureau, 2000; * Telephone service percentages based upon occupied housing units.*

An overcrowded housing unit is often described as a unit containing more than one person per room (1.01 or more). Based on this definition, less than one percent (0.8%) of the occupied owner occupied housing units in Cherry Hill was overcrowded, while 4.7 percent of the rental units were overcrowded. By way of comparison, for Camden County as a whole, 2.4 percent of the owner-occupied housing units and 8.6 percent of the renter-occupied units were reported as overcrowded in the 2000 Census.

TENURE BY OCCUPANTS PER ROOM: Occupied Housing Units

Occupants per Room	Camden County		Cherry Hill	
	#	%	#	%
Owner-Occupied:	130,007	(x)	21,751	(x)
.50 or less	96,695	74.4%	18,427	84.7%
.51 to 1.00	30,259	23.3%	3,136	14.4%
1.01 to 1.50	1,887	1.5%	137	0.6%
1.51 to 2.00	912	0.7%	51	0.2%
2.01 or more	254	0.2%	0	0.0%
Renter-Occupied:	55,737	(x)	4,476	(x)
.50 or less	32,469	58.3%	2,869	64.1%
.51 to 1.00	18,452	33.1%	1,396	31.2%
1.01 to 1.50	2,403	4.3%	76	1.7%
1.51 to 2.00	1,448	2.6%	109	2.4%
2.01 or more	965	1.7%	26	0.6%
Total units 1.01 or more occupants/room	7,869	4.2%	399	1.5%
Total-Occupied Units	185,744	(x)	26,227	(x)

U.S. Census Bureau, 2000

COAH's formula for estimating substandard housing units occupied by low and moderate income households considers the age of the housing stock and overcrowding as two (2) prime indicators of substandard housing. As demonstrated in the above tables, a significantly smaller portion of the township's housing stock was constructed prior to 1950 when compared to Camden County (7.4% vs. 29.0%), while overcrowded housing comprises a relatively small portion of the Township's occupied housing stock as compared to the county (1.5% vs. 4.2%).

The vast majority of all units in the Township are served by complete kitchen or plumbing facilities. The 2000 Census reports that house heating fuel, other than natural gas, fuel oil (including kerosene), or electric, accounts for 308 units (1.2%) in Cherry Hill, as compared for Camden County (2.3%).

Despite a relatively new housing stock, with little evidence of overcrowding and relatively few housing units not served by complete kitchen and plumbing facilities, COAH estimates that the Township has a relatively high incidence of substandard housing occupied by the poor (Rehab share: 145 units).

Projected Housing Stock

The Township's housing stock grew moderately through the 1990's, from 25,788 units in 1990 to 27,074 units in 2000. From the beginning of 1996 through 2000, the Township issued 602 residential certificates of occupancy and 43 residential demolition permits, for an average annual housing growth rate of nearly 112 units per year. From the beginning of 2001 through 2004, the Township issued 558 residential certificates of occupancy and 54 demolition permits, for an average annual growth rate of 126 units per year; while from 2005 through October, 2008, 211 certificates of occupancy were issued and 49 demolition permits were issued for an average annual growth rate of approximately 41 per year.

DEMOGRAPHICS

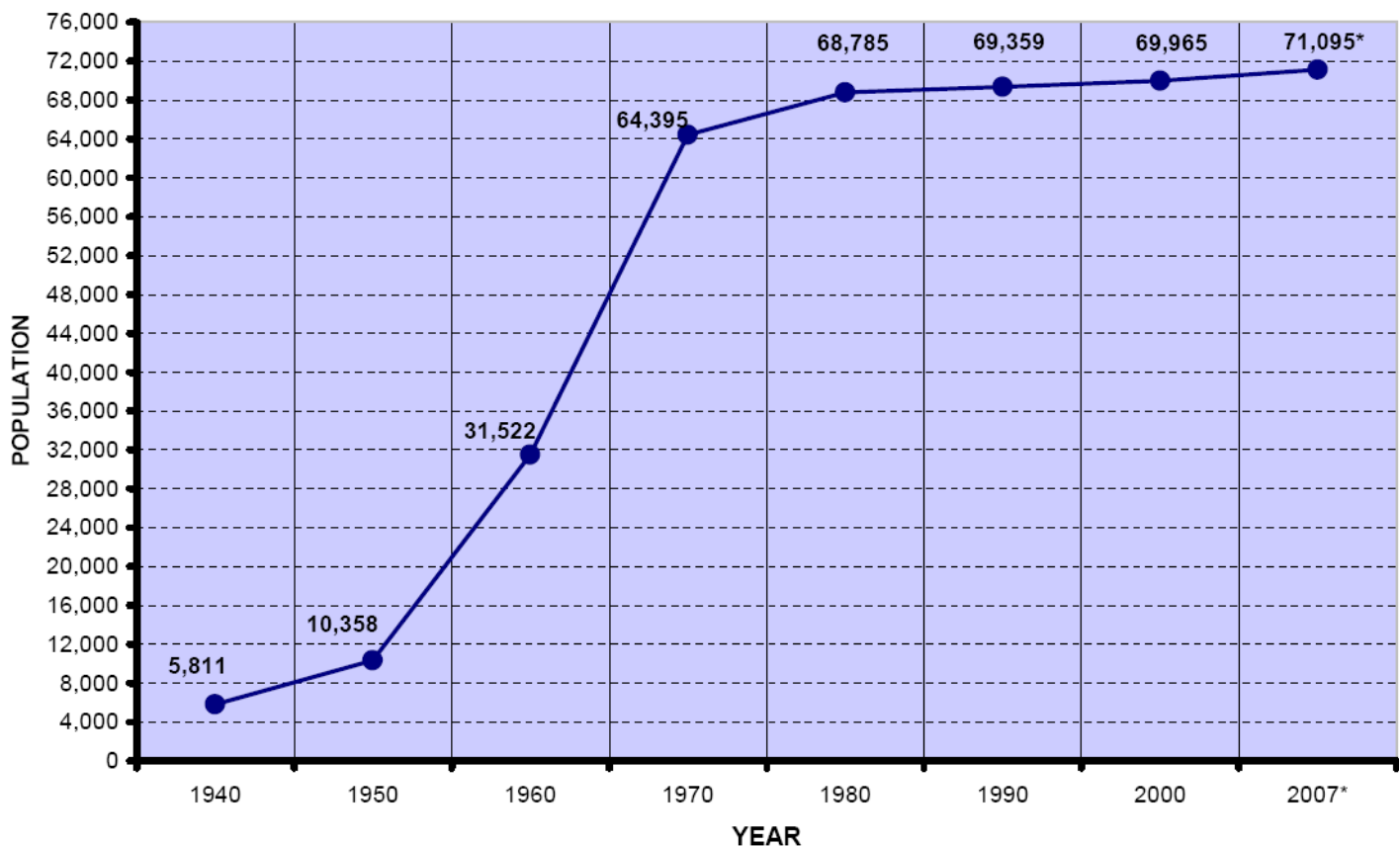
As shown on the following graph, the resident population of Cherry Hill grew dramatically from 1950 to 1970, and has since generally leveled off, increasing slightly over the past 38 years. While there was moderate population growth through the 1970's (6.8%), the Township experienced very little growth through 2000, increasing only by 1,180 persons, or 1.7 percent from 1980 to 2000. According to the US Census, the Township population in July 2007, was estimated at 71,095 persons.

Household Size & Age Distribution

Household sizes have declined nationally for decades. In Cherry Hill, the average household size is 2.61 persons per household, while for Camden County the average household size is 2.68 persons.

For owner occupied units, the household size is slightly lower than the county's, while for renter occupied units, the household size in the Township is significantly lower.

POPULATION TRENDS, TOWNSHIP OF CHERRY HILL 1940 - 2007



* Population Estimate. Source: US Census, as compiled by the NJ Department of Labor.

AVERAGE HOUSEHOLD SIZE BY TENURE

Occupied Housing Units

	Camden County	Cherry Hill
Owner-Occupied	2.88	2.76
Renter-Occupied	2.22	1.88
Total	2.68	2.61

U.S. Census Bureau, 2000

As shown, the household size for the Township, County and the State are proportionately similar. The 2000 Census reports that 54.8 percent of all New Jersey households consist of one (1) and two (2) person households. In Camden County, 54.4 of all households are one (1) and two (2) person households, while in the Township of Cherry Hill, 56.9 percent of all households consist of one (1) and two (2) person households. Nearly 10 percent (9.7%) of Cherry Hill households include five (5) or more persons. This demographic statistic is lower than the percentage of five (5) person households in Camden County (12.2%) and the State of New Jersey (11.9%).

HOUSEHOLD SIZE: Occupied-Housing Units

	New Jersey		Camden County		Cherry Hill	
	#	%	#	%	#	%
1-person household	751,353	24.5%	46,572	25.1%	5,906	22.5%
2-person household	927,354	30.3%	54,380	29.3%	9,026	34.4%
3-person household	531,987	17.4%	32,824	17.7%	4,454	17.0%
4-person household	490,302	16.0%	29,483	15.9%	4,287	16.3%
5-person household	233,231	7.6%	14,416	7.8%	1,788	6.8%
6-person household	82,237	2.7%	4,958	2.7%	529	2.0%
7 or more-person household	48,181	1.6%	3,111	1.7%	237	0.9%
Total	3,064,645	(x)	185,744	(x)	26,227	(x)

U.S. Census Bureau, 2000

The median age of the Township's residents as recorded in the 2000 Census is 41.8, while for New Jersey and Camden County, the median age is 36.7 and 35.8, respectively. As shown on the following table, the age cohorts for the Township in 2000 are generally similar to the age cohorts for 1990. As with much of the State, the largest percentage increase involved the over 65 population.

Population

New Jersey's Department of Labor (DOL) projects population by age. Currently, the Department projects that New Jersey's population will increase by 1,109,150 persons between 2000 and 2020. It attributes 76.6 percent of this increase to people over 55. In Camden County, DOL projects that the 2000-2020 population will increase by 108,338 persons, of which 62.5 percent of that increase is attributable to persons age 55 and older.

AGE: Total Population

	1990		2000	
	#	%	#	%
4 and younger	4,064	5.9%	3,821	5.5%
5 to 17	11,601	16.7%	12,621	18.0%
18 to 24	5,499	7.9%	4,122	5.9%
25 to 44	20,543	29.6%	18,249	26.1%
45 to 64	17,850	25.8%	18,562	26.5%
65 and older	9,802	14.1%	12,590	18.0%
Total	69,359	(x)	69,965	(x)

U.S. Census Bureau, 1990 & 2000

Income

The 1999 median household income (half higher, half lower) in Cherry Hill was reported to be \$69,421. By way of comparison the 1999 median household income for New Jersey was \$55,146. The 1999 median income for Camden County was \$48,097.

In 1999, 15.3 percent of Cherry Hill households had incomes of less than \$25,000; and 19.5 percent had incomes of between \$25,000 and \$50,000. Another 35.8 percent reported incomes of between \$50,000 and \$100,000; and 17.3 percent reported household income of between \$100,000 and \$150,000. Only 12.1 percent of Township households reported incomes in excess of \$150,000.

1999 HOUSEHOLD INCOME: Households

	New Jersey		Camden County		Cherry Hill	
	#	%	#	%	#	%
Less than \$10,000	213,939	7.0%	15,391	8.3%	1,083	4.1%
\$10,000 to \$14,999	143,783	4.7%	9,940	5.3%	1,054	4.0%
\$15,000 to \$19,999	142,069	4.6%	9,872	5.3%	877	3.3%
\$20,000 to \$24,999	146,537	4.8%	10,599	5.7%	1,010	3.9%
\$25,000 to \$29,999	152,012	5.0%	10,301	5.5%	932	3.6%
\$30,000 to \$34,999	153,437	5.0%	10,723	5.8%	1,145	4.4%
\$35,000 to \$39,999	150,757	4.9%	10,331	5.6%	974	3.7%
\$40,000 to \$44,999	150,538	4.9%	9,950	5.4%	1,017	3.9%
\$45,000 to \$49,999	136,078	4.5%	9,004	4.8%	1,025	3.9%
\$50,000 to \$59,999	260,375	8.5%	16,955	9.1%	2,056	7.9%
\$60,000 to \$74,999	347,869	11.3%	22,430	12.1%	3,139	12.0%
\$75,000 to \$99,999	413,928	13.5%	23,075	12.4%	4,158	15.9%
\$100,000 to \$124,999	252,890	8.2%	11,986	6.4%	2,895	11.1%
\$125,000 to \$149,999	138,233	4.5%	6,179	3.3%	1,634	6.2%
\$150,000 to \$199,999	130,492	4.3%	4,769	2.6%	1,420	5.4%
\$200,000 or more	132,837	4.3%	4,332	2.3%	1,762	6.7%
Total	3,065,774	(x)	185,837	(x)	21,181	(x)
1999 Median HH Income	\$55,146	(x)	\$48,097	(x)	\$69,421	(x)

U.S. Census Bureau, 2000

EMPLOYMENT

The Census reports on workers over 16 years old. As of the 2000 Census, 3.7 percent of the Cherry Hill civilian work force was unemployed. By way of comparison, 6.0 percent of the County civilian work force and 5.8 percent of the New Jersey civilian work force was unemployed.

SEX BY EMPLOYMENT STATUS FOR AGE 16 & OVER

	New Jersey	Camden County	Cherry Hill
Male	3,120,943	183,226	26,057
In Labor Force:	2,234,787	130,242	19,050
In Armed Forces	9,462	218	58
Civilian:	2,225,325	130,024	18,992
Employed	2,098,857	122,018	18,355
Unemployed	126,468 5.7%	8,006 6.2%	637 3.4%
Not in Labor Force	886,156	52,984	7,007
Female	3,425,212	204,995	29,446
In Labor Force:	1,969,606	120,462	16,507
In Armed Forces	1,786	16	0
Civilian:	1,967,820	120,446	16,507
Employed	1,851,172	113,337	15,842
Unemployed	116,648 5.9%	7,109 5.9%	665 4.0%
Not in Labor Force	1,455,606	84,503	12,939
Total			
Civilian:	4,193,145	250,470	35,499
Employed	3,950,029	235,355	34,197
Unemployed	243,116 5.8%	15,115 6.0%	1,302 3.7%
Total	6,546,155	388,191	55,503

U.S. Census Bureau, 2000

Of the 33,758 employed residents in the Township, 1,308 residents (3.8% percent) worked at home. Sixty-two (62.0) percent of workers reported that their commute to work was less than one-half hour.

TRAVEL TIME TO WORK FOR EMPLOYED AGE 16 YEARS & OVER

	Cherry Hill	
	#	%
Did not work at home:	32,450	(x)
Less than 5 minutes	644	2.0%
5 to 9 minutes	2,916	9.0%
10 to 14 minutes	5,131	15.8%
15 to 19 minutes	5,311	16.4%
20 to 24 minutes	4,392	13.5%
25 to 29 minutes	1,736	5.3%
30 to 34 minutes	3,899	12.0%
35 to 39 minutes	1,034	3.2%
40 to 44 minutes	1,275	3.9%
45 to 59 minutes	2,846	8.8%
60 to 89 minutes	2,283	7.0%
90 or more minutes	983	3.0%
Worked at home	1,308	(x)
Total	33,758	(x)

U.S. Census Bureau, 2000

The Department of Labor's covered employment data indicate that there are 53,452 covered jobs in Cherry Hill as of 2008 (the most recent data available) as follows:

COVERED JOBS	
Employment Sector	Jobs
Federal	391
State	339
Local	2,726
Private Sector	49,996
Total	53,452

The Department of Labor has prepared a table summarizing covered employment in Cherry Hill. The table was last prepared based on 2003 data and is presented below:

CHERRY HILL TOWNSHIP

	# Est. ²	March Jobs	June jobs	Sept. Jobs	Dec Jobs	Ave. Jobs/Yr	Ave. Wage/Wk	Ave. Wage/Yr
Agriculture, forestry, fishing and hunting	3	55	81	84	71	72	\$413	\$21,469
Utilities	.	.	.	.	.	.	.	.
Construction	178	1,402	1,530	1,596	1,505	1,498	\$975	\$50,686
Manufacturing	95	2,053	2,207	2,119	2,232	2,152	\$1,077	\$55,981
Wholesale trade	211	2,719	2,751	2,729	2,748	2,738	\$1,144	\$59,503
Retail trade	426	7,338	7,516	7,613	8,501	7,646	\$502	\$26,104
Transportation and warehousing	44	877	888	890	848	880	\$754	\$39,217
Information	55	2,124	2,206	2,189	2,284	2,206	\$820	\$42,621
Finance and insurance	211	3,405	3,627	3,887	3,555	3,599	\$1,233	\$64,100
Real estate and rental and leasing	108	902	879	860	871	882	\$734	\$38,150
Professional and technical services	576	4,581	4,595	4,547	4,914	4,595	\$1,051	\$54,634
Management of companies and enterprises	.	.	.	.	.	.	.	.
Administrative and waste services	194	5,773	6,076	5,821	6,527	6,181	\$460	\$23,898
Educational services	34	582	590	555	582	570	\$469	\$24,365
Health care and social assistance	349	6,921	7,201	7,179	7,384	7,215	\$795	\$41,325
Arts, entertainment, and recreation	48	543	817	662	721	686	\$348	\$18,072
Accommodation and food services	179	3,728	4,020	4,248	4,235	4,029	\$302	\$15,702
Other services, except public administration	219	2,130	2,174	2,153	2,191	2,143	\$576	\$29,938
Unclassified entities	210	195	202	228	330	225	\$535	\$27,844
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PRIVATE SECTOR MUNICIPALITY TOTAL	3,147	45,421	47,455	47,435	49,599	47,401	\$736	\$38,292
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FEDERAL GOVT MUNICIPALITY TOTAL	7	396	399	386	385	394	\$1,169	\$60,763
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LOCAL GOVT MUNICIPALITY TOTAL	12	2,872	2,870	2,652	2,807	2,660	\$842	\$43,788

COAH abandoned the use of covered employment data in its second round methodology because it presented an inaccurate picture of the total jobs in a community. COAH found that covered employment was often assigned to the nearest post office rather than to the correct municipality. COAH also found that some employment was assigned to the accounting firm that completed the form. It also found that employers with locations throughout New Jersey assigned all of its employees to one location, perhaps a corporate headquarters.

Cherry Hill examined the accuracy of covered employment data for previous matters before the court and found that large firms, for example Macy's and ADP, had assigned employees from

² Establishments.

outside of Cherry Hill to the Township for purposes of reporting to the Department of Labor. Thus, Cherry Hill's position is that the covered employment data present an inaccurate picture in terms of the number of jobs in the Township.

EMPLOYED CIVILIAN POPULATION 16 YEARS AND OVER BY INDUSTRY
- Universe: Employed civilian population 16 years and over

	Camden County		Cherry Hill	
Total:	235,355		34,197	
Agriculture, forestry, fishing and hunting, and mining:	293	0.1%	7	0.0%
Agriculture, forestry, fishing and hunting	251		7	
Mining	42		0	
Construction	13,751	5.8%	1,220	3.6%
Manufacturing	24,306	10.0%	3,040	8.9%
Wholesale trade	9,842	4.2%	1,438	4.2%
Retail trade	30,095	12.8%	4,143	12.1%
Transportation and warehousing, and utilities:	13,126	5.6%	1,093	3.2%
Transportation and warehousing	11,537		949	
Utilities	1,589		144	
Information	7,121	3.0%	999	2.9%
Finance, insurance, real estate and rental and leasing:	19,069	8.1%	3,455	10.1%
Finance and insurance	14,798		2,653	
Real estate and rental and leasing	4,271		802	
Professional, scientific, management, administrative and, waste management services:	26,524	11.3%	5,601	14.8%
Professional, scientific, and technical services	17,906		4,110	
Management of companies and enterprises	106		12	
Administrative and support and waste management services	8,512		939	
Educational, health and social services:	52,207	22.2%	8,673	25.4%
Educational services	21,117		3,773	
Health care and social assistance	31,090		4,900	
Arts, entertainment, recreation, accommodation and food services:	16,862	7.2%	2,185	6.4%
Arts, entertainment, and recreation	4,143		602	
Accommodation and food services	12,719		1,583	
Other services (except public administration)	11,022	4.7%	1,409	4.1%
Public administration	11,137	4.7%	1,474	4.3%

U.S. Census Bureau, 2000

Education

Employment sectors attracting a large segment of the Township's work force included: education, health and social services (25.4 percent); professional, scientific, management, administrative and waste management services (14.8 percent); retail trade (12.1 percent); finance, insurance real estate and rental and leasing (10.1 percent). Other sectors which comprise a larger portion of the work force include manufacturing (8.9 percent); and, arts, entertainment, recreation, accommodation and food services (6.4 percent).

As shown below, ninety-one (91) percent of the Township's resident (over 25) population received a high school diploma. Over 46 percent received a graduate or professional degree.

EDUCATIONAL ATTAINMENT: Population 25 Years & Over

	Cherry Hill	
	#	%
Less than 9th Grade	196	0.4%
9th to 12th Grade, no diploma	3,066	6.2%
Percent High School or Higher	(x)	91.0%
High School Graduate (includes equivalency)	10,677	(x)
Some College, no degree	8,572	17.4%
Associate Degree	2,858	5.8%
Percent Bachelor Degree or Higher	(x)	46.2%
Bachelor Degree	13,386	27.1%
Graduate or Professional Degree	9,445	19.1%
Total Population 25 Years & Over	49,401	(x)

U.S. Census Bureau, 2000

Future Employment Projection

The Delaware Valley Regional Planning Commission (DVRPC) performs projections for purposes of land use and transportation planning. According to the Commission, the 2000 Economic Census reported 46,844 jobs in Cherry Hill. An estimate of jobs in Cherry Hill for 2005 was 48,276. The DVRPC forecasts a decrease of jobs in Cherry Hill from 2005-2015, with 48,262 forecast for 2010, and 48,248 forecast for 2015.

COAH, in adopting N.J.A.C. 5:97-1 et seq., completed its own projections of municipal non-residential growth. From 2004 to 2018 COAH conversely projects an increase of 5,951 jobs in the Township.

DETERMINATION of FAIR SHARE OBLIGATION

Rehab Share

Pursuant to Mount Laurel II, each New Jersey municipality is responsible for addressing the needs of low and moderate income households living in substandard housing. COAH estimates the number of substandard units occupied by the poor through use of the 2000 United States Census. Pursuant to N.J.A.C. 5:97-1 et seq., COAH has estimated that there are 145 substandard units occupied by the poor in Cherry Hill. COAH refers to this estimate as the Township's rehab share.

1987-1999 Housing Obligation

Each New Jersey municipality is also responsible for its fair share of a housing region's need for low and moderate income housing. In 1994, COAH adopted N.J.A.C. 5:93-1 et seq. These rules provided the methodology for determining the Township's 1987-1999 share of the region's housing obligation. COAH determined that the Township had a 1987-1999 housing obligation of 1,829 housing units.

The Fair Housing Act includes specific language that limits a municipal housing obligation over the period of substantive certification. At Section 307(e), the Act includes the following language:

... No municipality shall be required to address a fair share beyond 1,000 units within ten years from the grant of substantive certification, unless it is demonstrated following objection by an interested party and an evidentiary hearing, based upon the facts and circumstances of the affected municipality that it is likely that the municipality through its zoning powers could create a realistic opportunity for more than 1,000 units within that ten year period. For the purposes of this section, the facts and circumstances which shall determine whether a municipality's fair share shall exceed 1,000 units, as provided above, shall be a finding that the municipality has issued more than 5,000 certificates of occupancy for residential units in the ten year period preceding the petition for substantive certification in connection with which the objection was filed.³

COAH has interpreted this language in its rules to limit the Township's 1987-1999 housing obligation to 1,669 units. In making this calculation COAH adds the 1990 rehabilitation component (22) to the 1987-1999 reallocated present need (155) and the 1987-1993 prospective need (987). Since this number exceeds 1,000 (1,164), COAH's formula caps the 1987-1993 housing obligation at 1,000.

³ The Township of Cherry Hill issued 1,371 certificates of occupancy between 1996 and 2008.

COAH then adds in a 1993-1999 housing obligation based on its projection of prospective need (836) plus a projection of demolitions (4), filtering (-128), conversions (-25) and spontaneous rehabilitation (-17). As applied to Cherry Hill, this calculation results in another 670 units.

As applied to Cherry Hill, COAH's formula results in a 1987-1999 housing obligation of 1,670 units. Previous court orders recognize that Cherry Hill has a 1987-1999 housing obligation of 1,669 units (the difference is assumed to be rounding error).

COAH's 2008 rule adoption of N.J.A.C. 5:97-1 et seq. provides its calculation of the 1987-1999 housing obligation. The calculations do not capture various errors or adjustments that COAH or the court have recognized since 1994. For instance, the calculations do not capture changes to municipal housing obligations based on the use of incorrect covered employment data (South Plainfield and Avon). Similarly, COAH's rule adoption does not consider the application of the 1,000 unit cap. However, COAH's rules and the explicit language in the Fair Housing Act provide for the recalculation.

Second Round Adjustment Process

COAH has adopted regulations to enable municipalities to adjust the new construction component of their fair share for the 1987 through 1999 period based upon a lack of sufficient vacant developable land pursuant to N.J.A.C. 5:93-4.2 and N.J.A.C. 5:97-5.2.

COAH's rule requires the Township to provide an inventory of vacant and underutilized land. The inventory must include all privately and municipally owned vacant land. It must include underutilized land that has been developed at low intensities, such as: a driving range; a farm in Planning Areas 1 and 2; a nursery; a golf course not owned by its members; and non-conforming uses.

The inventory of vacant and underutilized sites is a starting point for determining the capacity of the municipality to create affordable housing through inclusionary zoning in projects in which 20 percent of the units are affordable. However, sites, or portions of sites, can be eliminated for a variety of reasons:

- Municipal lands can be eliminated if the Township has adopted a resolution dedicating the property for another public purpose;
- Agricultural lands can be eliminated if the development rights have been purchased or restricted by covenant;
- Sites or portions of sites can be eliminated if they cannot be developed pursuant to the State's environmental regulations, including, but not limited to: wetlands, flood plain and Category 1 Waters;

- Sites or portions of sites impacted by slopes in excess of 15 percent may be eliminated provided the municipality has adopted a steep slope ordinance that regulates inclusionary developments and non-inclusionary developments in the same manner;
- Sites can be eliminated because they are not suitable for housing;
- Land surrounding historical and architecturally important sites can be eliminated from a vacant land inventory pursuant to a recommendation from the New Jersey Preservation Office;
- COAH has adopted minimum standards for active and passive recreation area. Those municipalities that have not reserved land equal to the COAH adopted standard may eliminate sites from the vacant land inventory for active and passive recreation provided the purchase of such land is recommended in the municipal master plan. A municipality must purchase the recreational land within one (1) year of COAH's substantive certification or the proposed recreational land must be reconsidered for affordable housing.

The sites or portions of sites that remain in the municipal vacant land inventory must all be considered for affordable housing. Once a site, or a portion of a site, has been determined to be suitable for inclusion in the realistic development potential, it is necessary to determine an appropriate density for the site. The density assigned to the site should be consistent with sound planning principles after considering factors such as, but not limited to, the existing infrastructure, the accessibility of the site and the character of the surrounding area. COAH's rules require a municipality to *balance the need for low and moderate income housing with the character of a given area* (N.J.A.C. 5:93-4.2(f)). The rules establish a *minimum* density of six (6) units per acre for purposes of establishing the realistic development potential.

The density is then multiplied by the acreage of the site, or that portion of the site that has been determined suitable for low and moderate income housing. This product is the total development capacity of the site. For example, a 10 acre site might be suitable for residential development at six (6) units per acre. Multiplying six (6) units per acre by 10 acres yields a site capacity of 60 units.

COAH's rules require that 20 percent of the site's capacity be reserved for low and moderate income households. This reservation is termed a *set-aside*. With a 20 percent set-aside, the hypothetical site used in the example would yield 12 low and moderate income units. The sum of each site's capacity analysis equals the realistic development potential.

The realistic development potential is an important planning number for the Township. COAH's rules allow municipalities to restrict a percentage of low and moderate income units to senior citizens. They also require municipalities to create opportunities for rental housing. The senior citizen option and the rental housing requirement are a function, in large part, of the realistic development potential.

Each municipality must develop a plan to address its realistic development potential. However, the municipal 1987 – 1999 obligation is not reduced by the realistic development potential. In addition to developing a plan to address its realistic development potential, the Township must adopt a plan that attempts to capture a contribution for affordable housing as development or redevelopment occurs (a plan for the “unmet need”).

Planning for the unmet need is not as precise as planning for the realistic development potential. By definition, a municipality has sufficient vacant and underutilized land to address the realistic development potential. The plan for the unmet need involves redevelopment, which is particularly problematic. It is also true that COAH has not required municipalities to demonstrate that its plan will address the entire unmet need. Yet, each municipality is expected to adopt affirmative measures that can bring it closer to addressing the entire housing obligation. Specifically, the rules (N.J.A.C. 5:93-4.2(h)) discuss specific types of areas that might result in affordable housing if appropriate zoning were in place:

Examples of such areas include, *but are not limited to* (emphasis provided): a private club owned by its members; publicly owned land; downtown mixed use areas; high density residential areas surrounding the downtown; areas with a large aging housing stock appropriate for accessory apartments; and properties that may be subdivided and support additional development.

In the case of Cherry Hill, the Township went through a modified version of COAH’s 1987-1999 vacant land adjustment procedures in 1993 (prior to COAH’s final rule adoption). The sites that were included are presented in the *1993 Round 1 Vacant Land Analysis* in Appendix A. Based on these sites, the court determined that the Township had a realistic development potential of 706 units (including 50 units from unidentified miscellaneous sites).

Although COAH’s rules indicate an ability to rely on a previously calculated realistic development potential, the Township has prepared a vacant land inventory that includes sites that were not considered in the 1993 calculation of 706 units. The vacant land inventory originally included all sites that the Township’s tax records have recorded as vacant.

In reviewing these sites, the Township has found that many of them are part of a developed property. For example, a site that is vacant according to the tax records may actually be a parking area for a shopping center or a storm water basin for an office building. The Township has eliminated these sites as potential affordable housing sites.

Some sites have been released by the court for development with the understanding that the lost potential of these sites to address affordable housing should be addressed at a later point. These sites *are* included in the inventory; and the Township *has* assigned each of these “released sites” a realistic development potential.

The Township has eliminated sites and portions of sites based on N.J.A.C. 5:93-4.2 and N.J.A.C. 5:97-5.2. The additional realistic development potential, as displayed within the Township’s *Round 2 Vacant Land Analysis* in Appendix A is 437.

Adding the partial realistic development potential of 706 (as determined in 1993) with the additional realistic development potential of 437, the Township computes a realistic development potential of 1,143 units. However, Cherry Hill’s 1987-1999 housing obligation is 1,669 housing units. The Township is left with an “unmet need” of 526 units.

To respond to this “unmet need,” the court has ordered Cherry Hill to monitor development on the following parcels and require the production of affordable housing if any of these parcels become available for development:

SITE NAME	PARCEL IDENTIFICATION (block/lot)	ACRES
Merchantville Country Club	114/1, 119/12,18	33.12
Spring House Farm	510/1.4	46.56
Apostolic Church	510/3	103.9
Springdale Farm	438/1,2	57.94
Woodcrest Country Club	528/10B	179.75

1999-2018 Housing Obligation

In 2004, COAH adopted N.J.A.C. 5:94-1 establishing a methodology for determining the Township’s housing obligation. The Appellate Division overturned this methodology in January of 2007.

In 2008, COAH adopted N.J.A.C. 5:97-1 et seq., establishing yet another methodology for determining the Township’s post 1999 (third round) housing obligation. In October 2010, the Appellate Division determined that COAH’s method of determining the rehab and prior cycle component of a municipality’s fair share was valid, but that COAH’s growth share approach to determining the post 1999 housing obligation (round three obligation) was invalid. In March of 2011, the Supreme Court accepted certification of the challenge by the New Jersey State League of Municipality’s challenge to the Appellate Division’s invalidation of growth share as an approach to defining the round three component of a municipality’s fair share. The Supreme Court also accepted certification on various other challenges to the Appellate Court’s decision. The Supreme

Court has not ruled on the League's challenge. As a result of these events, there is no reliable way to determine Cherry Hill's "round three" obligations. One can only ascertain its rehab and second round (1987-1999) obligations.

Although COAH had recognized the limits of vacant and underutilized land through its second round adjustment process which resulted in the calculation of a realistic development potential, COAH's third round regulations, in effect, added to the realistic development potential. The "growth share" approach to accruing a housing obligation required the Township to create a realistic opportunity for a housing obligation generated by land that had already developed and land that was not suitable for high density housing but might someday develop for isolated single family homes or land that might develop for a non-residential use.

The Township's 2009 Housing Element and Fair Share Plan discussed, in detail, the folly of COAH's 2008 rule making. It described how N.J.A.C. 5:97-1 results in a numerical housing obligation without any place to locate the housing. The 2009 Housing Element advocated adding the post 1999 housing obligation to the 1987-1999 housing obligation's unmet need as a housing obligation that might be met through overlay zones and the collection of development fees. The Township's approach is totally consistent with COAH's second round rules (those governing the 1987-1999 housing obligation) If the Supreme Court accepts the Appellate Division's ruling and COAH is required to adopt rules similar to those governing the second round rules, the Township's realistic development potential should not be affected by any "third round calculation" and the Township should be able to address a larger unmet need through the adoption of overlay zones and the collection of development fees.

Summary of Housing Obligation

In summary, the Township's 1987-2018 housing obligation includes a rehab share of 145. It includes a 1987-1999 obligation of 1,669. There is not enough vacant land to address these 1,669 units. Cherry Hill has followed N.J.A.C. 5:93-4.2 and 5:97-5.2 and computed a realistic development potential (capacity of vacant land) of **1,143** units. The Township has computed an unmet need of 526 units.

COAH has not adopted constitutional rules establishing a post 1999 housing obligation. Any future housing obligation required of Cherry Hill will not add to the Township's vacant land. Therefore, this Housing Element suggests that any future affordable housing obligation should be added to the Township's unmet need.

Credits

COAH's rules regarding the application of credits toward the 1987-1999 and 1999-2018 housing obligations are articulated at N.J.A.C. 5:97-4.1:

At the time of petition, credits and corresponding bonuses for previous housing activity shall be applied toward the prior round obligation before the credits may be applied toward the growth share obligation, provided such activity complies with the applicable criteria in this subchapter and the applicable formulas set forth in N.J.A.C. 5:97-3. If the municipality's second round substantive certification included a vacant land adjustment, the credits shall be applied toward the realistic development potential (RDP) before the credits may be applied toward the unmet need or the growth share obligation.

Thus, Cherry Hill must apply its credits to its realistic development potential of 1,143 before applying credits to its unmet need of 526.

COAH has various formulae it uses to structure a housing element. The Township may age restrict 25 percent of the sum of its realistic development potential and its remaining rehab share. . It has a rental obligation that is also equal to 25 percent of its realistic development potential.

The Township has a rehab share of 145. It is seeking 38 credits for completed rehabilitation. Therefore, its remaining rehab share equals 107. The Township may age restrict up to .25(realistic development potential (1,143) + remaining rehab share (107)) or 312 units.

Based on its realistic development potential, the Township must create opportunities for at least 286 rental units. As the Township addresses its unmet need and any third round obligation, it may age restrict additional affordable housing and should create additional rental opportunities.

Pursuant to COAH's rules, the Township may receive an extra credit for addressing its 1987 – 1999 rental housing obligation.⁴ There is no extra credit for exceeding the 1987 -1999 rental housing obligation. COAH provides an extra third of a credit for affordable age restricted *rental* housing. It provides a full unit of credit for non-age restricted affordable *rental* housing. Given that the rental bonus is limited to 286 units and the rental bonus is much greater for non-age restricted rentals, it is in the Township's interests to seek as many rental bonus credits that it can for non-age restricted affordable rentals..

Having established COAH's rules regarding age restricted and rental housing, it must be emphasized that the court can deviate from COAH's rules. In describing the housing activity in

⁴ *The Appellate Division has invalidated the rental bonus for the 1987-1999 housing obligation if the units have not yet been constructed.*

Cherry Hill, the court has already made rulings regarding the credit to which Cherry Hill is entitled. The following narrative outlines the credits the Township is seeking.

- **Jewish Federation.** This housing is located at Springdale and Kresson Roads on the Southern New Jersey Community Center Campus. The project was funded with low income tax credits. It includes 104 age restricted units. **Credits: 115⁵**
- **Gesher House.** This project is located at Chapel Avenue and Kings Highway North. This is another age restricted community with 75 affordable units. **Credits: 75**
- **Sergi-Abbey Road.** There are 120 affordable rentals within this community, located on Markkress Road, which also received low income tax credit financing. **Credits: 240**
- **Sergi-Hodson Commons.** This site is also located on Markkress Road. It was funded with HUD Section 208 funds and includes 26 units for the handicapped and disabled. **Credits: 52**
- **Brunetti.** This is an inclusionary rental community located on Church Road, near the Cherry Hill Mall. The community includes 48 non-age restricted rentals. **Credits: 96**
- **Legnola.** A court order granted two (2) credits for this development located at Main and Merchant Streets. **Credits: 2**
- **Credits without Controls.** The Appellate Division and COAH's rules provide credit for housing constructed between 1980 and 1986 even if not encumbered by a deed restriction. The credits are permitted provided that a housing unit: is in sound condition; is occupied by a low or moderate income household; and is affordable based on COAH's criteria. COAH provides a survey for analyzing eligible credits. The Township has performed this survey and the court's Special Master has determined that the Township is eligible for 31 **Credits: 31**
- **Scattered Site Rentals.** The Township has created 33 rental units for low and moderate income households scattered through various condominium projects. Tenants pay a maximum of 30 percent of income, consistent with COAH's rules. **Credits: 66**
- **Scattered Site Sales.** The Township received credit for 70 owner occupied low and moderate income units scattered throughout several multi-family developments in the Township. The Township received these credits pursuant to a 1987-1993 judgment of repose. **Credits: 70**
- **Regency Court.** This site has received an approval for seven (7) affordable units. **Credits: 7**

⁵ The credits for the Jewish Federation are based upon a prior Court Order.

- **Alternative Living Arrangements.** The Township has provided the required crediting documentation for the following group homes. Each group home put in place after 1986 is entitled to a rental bonus.

Alternative Living Arrangements				
Facility	Address	Bedrooms	Date of C/O	Credits ⁶
Bancroft Adult Services	407 Cranford Rd.	4	11/30/82	4
Durand Academy	500 Park Boulevard	5	9/2/92	10
Pilot Services	201 Lenape Avenue	3	9/1/93	6
Bancroft NeuroHealth	37 Delwood Avenue	5	2/26/97	10 ⁷
Kelsch Homes	1212 Cotswold Lane	4	5/1/00	8
Bancroft NeuroHealth	117 Morningside Dr.	5	1991	10
Bancroft NeuroHealth	110 Bell Arbor Dr.	4	2009	8
Bancroft NeuroHealth	11 Nevada Avenue	4	12/10/97	8
Bancroft NeuroHealth	14 Brookdale Dr.	4	3/18/98	8
Bancroft NeuroHealth	407 Hickory Circle	1	1995	2
Bancroft NeuroHealth	603 Hickory Circle	2	1995	4
Bancroft NeuroHealth	402 Barby Lane	4	2008	8
Bancroft NeuroHealth	123 Iron Master Rd.	4	2006	8
Steininger	22 E. Ormond Ave.	3	2000	6
Bancroft NeuroHealth	113 Iron Master Rd.	4	2006	8
Employ Ability Unlimited, Inc.	331 Oak Avenue	4	6/28/98	8
Totals		56		116

The Township is eligible for 870 credits.

The Township's 2009 Housing Element and Fair Share Plan includes the Short Hills Farm site and claims 115 credits based upon a prior order of the Court. The current plan does not include this site or rely on the 115 credits authorized by Court order. However, the removal of this parcel from the Township's current plan is subject to court approval. In the event that the Court does not authorize the removal, the site and 115 credits shall remain part of the current plan and the Township reserves the right to make other changes to its plan based upon the 115 credits.

Reductions

Cherry Hill may receive reductions for housing units that have been planned for but have not yet been constructed. The following is a summary of low and moderate income units that Cherry Hill believes will develop with affordable housing.

- **Dwell Apartments (Klein).** This community includes 233 apartment units, including 35 low and moderate income units. Moderate income units are to be affordable to households earning 60 percent of median income. Low income units are to be affordable to households earning 40 percent of median income; and very low income units are to be affordable to households earning 20 percent of median. The court has awarded a 2-1 rental bonus for this development and the Township has provided its argument to retain the rental bonus in light of the Appellate

⁶ The Township is entitled to a rental bonus for group homes put in place after 1986.

⁷ In 2002, Cherry Hill surveyed this facility (then called Willow Glenn Academy) and the court master found that it had four (4) bedrooms. The most recent survey indicates that it has five (5) bedrooms.

Divisions' October 2010 Decision in a March 14, 2011 letter from the Township's Mount Laurel Counsel to the Court Master. To be conservative, this plan is seeking a 35 unit reduction, although the Township reserves its right to the rental bonus. **Reduction: 35 units**

- **The Garden State Racetrack.** This project includes 254 units of low and moderate income housing. A March 3, 2004 court order established a phasing schedule for these units. The private sector is obliged to produce 29 owner occupied age restricted units and 24 owner occupied non-age restricted low and moderate income units on site. Private developers are also obliged to create 40 affordable units off-site. In addition, the private sector is obligated to construct 85 low and moderate income family rentals. Fair Share Housing Center is to construct 76 age restricted rentals for low and moderate income households. Fair Share has received land and monetary contributions to assist it in creating the age restricted rentals. The court has awarded a reduction of 285 units for this development. The reduction includes a 31 unit rental bonus. The Township has provided its argument to retain the rental bonus within a March 14, 2011 letter from the Township's Mount Laurel Counsel to the Court Master. However, although the Township reserves its right to a rental bonus, to be conservative, this plan is seeking a 254 unit reduction. **Reduction: 254 units**

- **Centura.** This project has approvals for 361 multi-family dwellings, including 32 low and moderate income family rentals. The developer is amending its plan to construct townhouse units instead of condominium flats. The applicant received approval on the first two phases of its three (3) phase plan on August 16, 2010. The applicant has submitted an application for the final phase of its inclusionary development. **Reduction: 32 units**

Summary of Credits & Reductions

The Township is eligible for 870 credits and a reduction of at least 321 low and moderate income units. Cherry Hill has created a realistic opportunity for 1,191 units even if it loses the benefit of the rental bonus for the Dwell Apartments and the Garden State Racetrack rentals. The Township has addressed its realistic development potential of 1,143 units.

N.J.A.C. 5:93-4.2(g) and N.J.A.C. 5:97-5.2(j) are clear that a municipality may address its realistic development potential through any activity approved by COAH's rules. The municipality need not incorporate all sites used to calculate the realistic development potential if the municipality can devise an acceptable means of addressing its realistic development potential. The realistic development potential shall not vary with the strategy and implementation techniques employed by the municipality.

Cherry Hill has already addressed its realistic development potential. Pursuant to COAH's rules, the Township may, but is under no obligation to, zone the Township's remaining vacant and underutilized land to address its remaining housing obligation. Pursuant to COAH's rules, the court has the power to require Cherry Hill to take various actions to address its unmet need.. For example, the court may require the Township to foster affordable housing as development and redevelopment occur. The court may also require Cherry Hill to collect and spend development fees on affordable housing.

Lands of developers who have expressed an interest or commitment to provide low and moderate income housing

Woodcrest Country Club and an owner of a small infill lot have approached the Township concerning development proposals that would produce affordable housing. Woodcrest representatives presented a high density housing proposal that segregated the low and moderate income units from the market units within the proposed development. The Township's clear preference is for affordable housing to be integrated with the market housing in an inclusionary development. The parties were not able to resolve the integration issue.

Subsequent to that meeting, the Township has learned that Woodcrest's lender has initiated foreclosure proceedings on the property. It is the Township's position, as expressed in a February, 2011 letter from the Township's Mount Laurel Counsel, that, based on the foreclosure proceedings, the Woodcrest Country Club is not available (as COAH defines the term) at this time. The letter indicates that the Township will review the proposal when Woodcrest can demonstrate that its property has clear title and is available pursuant to COAH's rules. The letter also indicates that Woodcrest must also post the necessary escrow for the review.

The second property is Block 287.06, Lot 20, located on Maple Avenue. The lot is a 2.27 acre flag lot located between single family homes. Approximately half the lot is constrained by wetlands and required wetland buffer area. The applicant approached the Township with a plan for 13 condominium units with a 20 percent set-aside after the Planning Board denied a variance application that involved single family homes. The Township finds this site inappropriate for multi-family development and is not interested in rezoning this property for higher density housing.

COMPLIANCE OPTIONS

COAH has established a municipal housing obligation that begins in 1987 and extends through 2018. This section of the housing element discusses the options available for addressing the Township's remaining housing obligation.

Rehab Share

A municipality may address its rehab share by devising a rehabilitation program. The focus of any rehabilitation effort must be to repair or replace existing housing systems (i.e. roof, plumbing, electricity, heat, and/or a load bearing system) and bring the housing unit up to code. The program must be administered by an entity experienced in the rehabilitation of affordable housing and the program must be outlined in a manual that COAH approves.

The minimum investment to administer a rehabilitation program is established at \$10,000, of which no more than \$2,000 may be used for administrative costs. In reality, the cost of a rehabilitation program is a function of the repairs required to bring an affordable housing unit up to code. COAH requires 10 year controls on affordability to be placed on rental and sale units after the rehabilitation activity is complete. With regard to sales units, the control may be in the form of a forgivable loan.

A municipality may also address its rehab share through the creation of Elder Cottage Housing Opportunities (ECHO Housing). The municipality may purchase up to 10 ECHO units. Cherry Hill can also address its rehab share by creating new affordable units through any of the techniques discussed below for creating new affordable housing within the Township.

Regulatory Framework for New Construction

As discussed in the "**Credits**" Section above, COAH has various rules that provide a framework for addressing the municipal housing obligation. With the possible exception of units created through tax credits, at least half of all affordable units must be affordable to low income households.⁸ All affordable housing must be affirmatively marketed and be priced in accordance with COAH's rules. No more than 25 percent of the Township's realistic development potential plus the remaining rehab share may be age restricted. At least 25 percent of the realistic development potential shall be addressed with rental housing.

⁸ COAH, HMFA and the Department of Community Affairs are working on a joint response to the low and moderate income split associated with tax credit projects.

Ten percent of all affordable townhouse units proposed by a municipality must be accessible in accordance with the accessibility requirements set forth at N.J.A.C. 5:23-7.5(b) and (c) in the Barrier Free Subcode, N.J.A.C. 5:23-7. Townhouse units in communities that have received development approvals prior to June 20, 2005, are exempt from this requirement.

Pursuant to P.L. 2008, Chapter 46, at least 13 percent of the housing units responding to the Township's 1999-2018 housing obligation must be affordable to very low income households. Very low income households are defined as earning no more than 30 percent of the region's median income. COAH has interpreted this very low income requirement as applying only to the post 1999 housing obligation.

Zoning & Fees

Cherry Hill has various options in addressing its inclusionary component. The Township can rely on zoning to address its housing obligation. The advantage to *inclusionary* zoning is that it is one of the few approaches recognized by COAH that limits the municipality's fiscal responsibility to produce affordable housing. Municipalities have a responsibility to fast-track *inclusionary* developments and eliminate unnecessary cost generating standards. COAH sets forth these responsibilities in N.J.A.C. 5:93-10 and 5:97-10.

COAH has provided standards for the creation of inclusionary developments based, in large part, on the manner in which the State Planning Commission classifies the land within its State Development and Redevelopment Plan (SDRP). The SDRP purports to be a growth management plan that divides New Jersey into five (5) planning areas. New Jersey has invested in the public infrastructure necessary to support growth in Planning Areas 1 and 2. Thus, the SDRP endorses concentrating much of the State's growth in areas that have the public water and sewer to accommodate the growth. The SDRP's goals in Planning Areas 3, 4 and 5 are more preservation/conservation oriented. COAH's rule provides that Planning Areas 1 and 2, as well as designated centers, are the preferred location for affordable housing.⁹ Cherry Hill lies in SDRP Planning Area 1.

Pursuant to previous rule making, COAH permitted each municipality to impose a housing obligation on non-residential development. P.L. 2008, Chapter 46 prohibits this practice. Instead, each non-residential development is required to pay a 2.5 percent development fee (as COAH defines the term).

⁹ Centers are discreetly defined areas that have the infrastructure to support growth. They are designated as part of a plan endorsement process.

A municipality that zones a residential site for affordable housing may permit a developer to pay a fee rather than build affordable housing. COAH has developed standards for such in lieu fees. In the Cherry Hill housing region, a municipality may accept a fee of \$156,089 in lieu of building affordable housing.

A municipality may collect a development fee on residential sites that are not zoned to produce affordable housing. COAH permits a municipality to collect a development fee equal to 1.5 percent on all residential development. Where a developer receives a density increase pursuant to a "D" variance, a municipality may collect a six (6) percent development fee on the additional units achieved pursuant to the "D" variance.

There are restrictions on the use of development fees. Up to 20 percent of development fees may be used for administrative purposes. At least 30 percent of development fees must be used to render affordable housing more affordable to low and moderate income people. These limitations do not apply to "in lieu fees." With this in mind, the Township must utilize strict accounting practices in order to use development fees and in lieu fees properly.

Regional Contribution Agreements

Regional contribution agreements were a vehicle established by the Legislature that allowed a municipality to enter into an agreement to transfer up to half of its housing obligation to what was called a "receiving municipality." The Legislature, pursuant to P.L. 2008, Chapter 46, has determined that regional contribution agreements are no longer an acceptable way for a municipality to address its housing obligation. Thus, this compliance mechanism is no longer available to the Township.

Redevelopment

A municipality may pursue the construction of affordable housing through redevelopment pursuant to the Local Redevelopment and Housing Law. All sites proposed for redevelopment shall conform to COAH's criteria for a suitable site. The municipality must designate the site as an area in need of redevelopment and adopt a redevelopment plan. It must also designate a redeveloper and prepare an estimated timeline for the redevelopment of the site.

Municipal Construction

Some municipalities choose to address the housing obligation by sponsoring the construction of low and moderate income housing. It is not unusual for a municipality to donate municipal land to a non-profit or for profit developer interested in constructing a development that will be devoted entirely for low and moderate income households.

Although it is not easy for municipalities to “get into the housing business,” municipalities can issue a “Request for Proposal” and attract developers who specialize in this form of housing. Most developers interested in building low and moderate income housing without any market units to help subsidize the affordable housing require other forms of subsidy. Such subsidies often include: land, some form of municipal subsidy and other subsidies from a variety of state and federal sources. COAH’s rules regarding municipal construction require the following minimum documentation:

1. The municipality must demonstrate that it has control of the site. Control may be in the form of an option.
2. The municipality must submit a plan regarding the administration of the development indicating who will income qualify applicants and administer the units once they are occupied.
3. The municipality must estimate what the proposed development will cost and the revenues that it projects the development to generate. The municipality must demonstrate a *stable* source of funding. As outside funding sources become available, a municipality may reduce its reliance on municipal resources, and
4. The municipality must develop a construction timetable that provides for the construction of low and moderate income housing units.

Supportive & Special Needs Housing

Supportive and special needs housing includes, but is not limited to: residential health care facilities as regulated by the New Jersey Department of Health and Senior Services or DCA; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; permanent supportive housing; and supportive shared living. The second round rules provide credit for transitional facilities for the homeless and boarding homes. COAH’s third round rules do not provide credit for transitional facilities for the homeless and boarding homes. The following criteria apply to supportive and special needs housing:

1. The units of credit for group homes, residential health care facilities and share living housing shall be the bedroom;
2. The unit of credit for permanent supportive housing shall be the unit;
3. Supportive and special needs housing that is age restricted shall be included with the number of units that a municipality may age restrict;
4. All bedrooms and/or units shall be affordable to low-income households;
5. Units shall serve populations 18 and over;
6. All sites for supportive and special needs housing shall meet COAH’s site suitability criteria; and
7. The municipality or developer/sponsor shall have control or the ability to control any site on which supportive and special needs housing is proposed.

Supportive and special needs housing may provide an opportunity for a municipality that is willing to convey land to an organization that is interested in providing an alternative living arrangement. There are capital and operating subsidies available that could minimize the municipal subsidy required to construct a group home or other facility.

Accessory Apartments

COAH's rules allow municipalities to address up to ten (10) low and moderate income units by creating a program for accessory apartments. A municipality interested in such a program must demonstrate that it has a housing stock that lends itself to accessory apartments. COAH believes that a large, older housing stock lends itself to accessory apartments. COAH's rule requires water and sewer to serve any proposed accessory apartment.

If the Township is interested in accessory apartments, it must revise its zoning ordinance to permit accessory apartments. It must also commit to funding the program. COAH's minimum funding commitment is \$20,000 for each moderate income accessory apartment and \$25,000 for each low income accessory apartment. The Township must also create an administrative mechanism with procedures for dealing with cost estimates, accepting bids, awarding contracts, inspecting work, income qualification of applicants, establishing rents and ensuring rents remain affordable over time.

COAH will accept affordability controls of 10 years on accessory apartments. Accessory apartments may be used to address the Township's rental obligation.

Market to Affordable Program

COAH has adopted rules that allow a municipality to purchase housing units that are already part of the housing stock and make these units available, at affordable rents or sales prices, to low and moderate income households. COAH's rule limits the number of units for which a municipality may receive credit to 10 or up to 10 percent of its fair share (whichever is greater), unless the municipality has demonstrated a successful history in creating affordable housing from the existing housing stock. The minimum required subsidy is \$25,000 per unit for a moderate income unit and \$30,000 for a low income unit.

With regard to affordable sales units, the rule requires the municipality to demonstrate that there are sufficient units in the municipality for a viable program to operate through the multiple listing service. The rule requires conveyed affordable units to be in sound condition and to be affordable to low and moderate income households. Thus, although the rule allows a minimum subsidy of \$25,000 - \$30,000 per unit, the Township should be aware that the real subsidy may be a function

of the quality of the housing stock and the subsidy necessary to deliver a sound housing unit to the target population at a price that conforms to COAH's "affordability criteria." The same caveat applies to COAH's rental program. In reality, the subsidy may exceed \$25,000 - \$30,000 per unit.

Assisted Living Units

Bedrooms in assisted living residences may address a municipal housing obligation. Affordable units within an assisted living facility may be affordable to households earning up to 60 percent of median income. Up to 80 percent of a low and moderate income household's gross income may be used for rent, food and services. Units within an assisted living facility shall be viewed as age restricted units, subject to the restrictions on senior units imposed at N.J.A.C. 5:94-4.13.

Extension of Expiring Controls

A municipality may receive a credit toward its third round obligation by extending controls on affordability that are scheduled to expire during the 1999-2018 period. The extended controls must be consistent with COAH's rules as articulated pursuant to N.J.A.C. 5:80-26. To obtain this credit, the municipality must obtain a certified statement from its building inspector stating that the affordable unit complies with all code standards. A municipality may use development fees and in lieu fees to purchase units and complete any necessary repairs.

A municipality may extend controls administratively. For example, a municipality can make the extension of controls a condition of sale to a prospective purchaser of low and moderate income housing provided the controls have not already expired. Thus, the extension of controls is a very cost effective way of addressing the 1999-2018 housing obligation.

The Unmet Need

As discussed earlier in this plan, it is not uncommon for there to be a poor fit between the housing obligation assigned by COAH and the vacant land in a community. In such a circumstance, a community must calculate the capacity of its vacant land (the realistic development capacity) and structure a plan to address that capacity. It must then attempt to capture a contribution towards affordable housing as development and redevelopment occur in an attempt to address the portion of the housing obligation in excess of the realistic development potential. COAH's rules anticipate addressing the housing obligation through the collection of development fees and overlay zones that promote the construction of affordable housing.

RESPONSE to the HOUSING OBLIGATION

Rehab Share

COAH has estimated that there are 145 substandard housing units within the Township. COAH's estimate is based on 2000 census surrogates. Cherry Hill shall administer a rehabilitation program that complies with COAH's rules. Cherry Hill has been administering its own program; and it is envisioned that the Township will continue to administer this program using an administrative manual that is approved by the court. (Appendix B)

- The Township's Department of Community Development will administer the program. It has administered the program since 1983 and has rehabilitated approximately 330 units during that time. A monitoring form, itemizing the Township's rehabilitation work is included in Appendix B.
- The Township will budget \$100,000 - \$125,000 a year for its rehabilitation program and supplement this funding with part of the \$450,000 to \$500,000 a year it receives in Community Development Block Grant (CDBG) Money. If necessary, the Township plans to apply for County HOME Funds and utilize the money in its affordable housing trust fund to supplement the money it budgets and receives from CDBG. The Township will bond, if necessary, to fund the rehabilitation program.
- Affordability Control. The affordability control is a lien on a rehabilitated unit. The loan is repaid when the property is sold.
- Timeline. Based on experience the Township's Department of Community Development estimates that it will rehabilitate 10 units per year.

The Realistic Development Potential

The Township has addressed its 1,143 unit realistic development potential with at least 1,191 credits and reductions for past housing activities. The Township's total 1987-1999 housing obligation is 1,669 housing units. Thus, the remaining obligation, or unmet need, is 478.

The Unmet Need

N.J.A.C. 5:93-4.2 and 5:97-5.3 provide for addressing the unmet need through the collection of development fees and through the adoption of overlay zones designed to promote affordable housing. Cherry Hill will utilize both techniques to promote affordable housing.

In order to address its unmet need, the Township proposes overlay zones on four properties that have been developed as shopping centers. It also envisions inclusionary overlay zones on the PATCO station property and a property that is currently used as a motel.

With regards to the shopping center properties, the plan envisions mixed use inclusionary development with half the site being utilized for housing. There shall be a 20 percent set-aside attached to all housing developments. The commercial development permitted on each site shall be phased to prohibit a developer that chooses the overlay option from constructing commercial development without the affordable housing.

The shopping center sites envisioned for overlay zoning include: (a) Block 55.02, Lots 1, 1.01 & 1.02; (b) Block 409.01, Lots 18, 18.01 & 19; Block 433.1 Lot 2; (c) Block 512.01 Lots 1-4; and (d) Block 583.01, Lot 2. Together these sites comprise approximately 113.5 acres. It is anticipated that these sites can yield approximately 100 units of affordable housing.

COAH has established site suitability criteria for proposed affordable housing sites and zoning (N.J.A.C. 5:95-3.13). The following provides a discussion of the various proposed affordable housing sites pursuant to COAH's criteria.

GOLDEN TRIANGLE SITE Mixed-Use Redevelopment (Block 55.02/Lots 1, 1.01 & 1.02)

This tract of land comprises approximately 61 acres of land and is located in the northwestern portion of Cherry Hill. The site is irregularly shaped and has frontage along NJ Route 70 for a length of approximately 1,129 feet. The site also has frontage along Cornell Avenue South. The entire parcel is developed with retail stores, on-site parking and an existing water tank, located on the northern portion of the tract. In addition, the site is bounded by the NJ Transit Atlantic City rail line along the easterly property boundary. An existing passenger station (Cherry Hill Station) with associated parking is also located on the parcel.

Access to the site is provided from NJ Route 70 and Cornell Avenue South. Route 70 is a principal arterial roadway with an existing ROW width of 120 feet. Cornell Avenue South is an existing local roadway with a right-of-way width of 60 feet. The intersection of Route 70 and Cornell Avenue South is presently under signal control. The site has excellent transit access with the Cherry Hill station of the NJ Transit Atlantic City Rail Line that provides service to Philadelphia and Atlantic City, and NJ Transit Bus Route 406 and 450. Adequate access is provided to the site.

Existing development in vicinity of the site includes a mix of residential and commercial development. Commercial-retail and commercial-office uses are located along the Route 70

corridor. Further to the north, the existing land use consists of medium density single family residential use. The properties to the west of the site are presently developed with a variety of commercial-retail and commercial-industrial uses. Garden State Park is a recently constructed mixed-use development located adjacent to the site on the opposite side of the NJ Transit rail line. To facilitate access to the Cherry Hill Station, an at-grade crossing is proposed between Garden State Park and the subject property. Mixed-use development, including affordable housing, would be compatible with surrounding land uses.

A review of New Jersey Department of Environmental wetland data indicates that mapped wetland areas are located adjacent to the site to the northwest in an existing wooded area. Additional isolated wetlands are located further west of the tract in vicinity of King Avenue and west of Cornell Avenue South. These wetland areas are associated with unnamed drainage tributaries to Cooper River, located southwest of the site. The mapped wetland areas would not preclude development of the site for the proposed mixed use development.

The site is located in a sewer service area. It is served by public water and sanitary sewer. The site does not exhibit any known historic features or significance, nor does the site contain any known contamination which might prevent development of the site as proposed. No known encumbrance exists which would preclude development of the site with affordable housing

A review of the current State Development and Redevelopment Plan identifies the site is located in a Metropolitan Planning Area (PA1). A review of the Preliminary Cross-Acceptance maps for the SDRP, revised through July 2007, indicates that the site continues to be designated PA1. PA1 is a preferred location for affordable housing.

Based on its size and configuration, the site can be developed for affordable housing development consistent with the Residential Site Improvement Standards.

KIMCO SITE Mixed-Use Redevelopment (Block 409.01/Lots 18, 18.01 & 19)

This tract of land comprises approximately 20.28 acres of land and is located in the southwestern portion of Cherry Hill. The site is irregularly shaped and has frontage along Brace Road (State Route 154) for a length of approximately 257 feet; a small length of a frontage along Haddonfield-Berlin Road (County Route 561); and, frontage along Arbor Avenue and Kresson Road to the north. The property exhibits little or no slope and is presently developed with retail stores, a freestanding fast-food restaurant and on-site parking.

Access to the site is presently provided from Brace Road and from Kresson Road, via Arbor Avenue, which extends along the site's northwest property boundary. Brace Road is designated as State

Route 154, a minor arterial roadway. Haddonfield–Berlin Road is an existing county arterial roadway. Arbor Avenue and Kresson Road are each local roadways. NJ Transit Bus Route 451 serves the site. Adequate access is provided to the site.

Existing development in vicinity of the site includes a mix of residential and commercial development. Proposed zoning and use of the tract for mixed-use development, including affordable housing would be compatible with surrounding land use.

A review of New Jersey Department of Environmental wetland data indicates that a small portion of the site contains mapped wetlands areas. These mapped wetland areas are located on a small area of the northwest portion of the site and along the southerly portion of the tract, associated with Tindale Run, an existing drainage stream. These mapped wetland areas would not preclude development of the site for mixed use development.

The site lies within a sewer service area. It is served by public water and sanitary sewer. The site does not exhibit any known historic features of significance, nor does the site contain any known contamination which might prevent development of the site as proposed. No known encumbrance exists which would preclude development of the site with affordable housing

A review of the current State Development and Redevelopment Plan identifies the site is located in a Metropolitan Planning Area (PA1). A review of the Preliminary Cross-Acceptance maps for the SDRP, revised through July 2007, indicates that the site continues to be designated PA1. The site location is consistent with COAH Guidelines for the preferred location of affordable housing development within PA1, Metropolitan Planning Areas.

Based on its size and configuration, the site can be developed for affordable housing development consistent with the Residential Site Improvement Standards.

WOODCREST SHOPPING CENTER Mixed-Use Redevelopment (Block 433.1/Lot 2)

This parcel of land is located in the southwestern portion of the Township, adjacent to the New Jersey Turnpike, and is approximately 16.88 acres in area. The site is presently developed with strip retail stores and two free-standing commercial buildings. In addition, an existing cell tower and utility building is located on the northerly portion of the property. The site exhibits no environmental constraints, including wetlands, floodplains, steep slopes, etc. The property has been designated as an area in need of redevelopment pursuant to the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 et seq.).

Access to the site is provided from both Haddonfield–Berlin Road and Browning Road. Haddonfield–Berlin Road is an existing county arterial roadway. Browning Road is a local roadway. The intersection of Browning Road/Burnt Mill Road and CR 561 is presently signalized. The Woodcrest Station of the high-speed PATCO line is in the immediate vicinity, which provides express service to Center City Philadelphia, as well as served by NJ Transit Bus Route 451. Adequate access is provided to the site.

Existing development in the area includes a variety of commercial-retail, commercial-office uses, single family detached and single family attached residential developments. The Centura Condominiums residential development is located adjacent to the site to the northeast. An existing church is located adjacent to the site, to the north. As noted previously, the site is located adjacent to the New Jersey Turnpike (to the west). The Cherry Hill Fire Department Woodcrest Station is located to the south across Haddonfield-Berlin Road. Single family residential dwellings are located to the southeast, across Haddonfield-Berlin Road. Commercial-office and commercial-retail uses are located across Browning Road to the east. A mixed use development that includes affordable housing would be compatible with surrounding land uses.

The site lies in a sewer service area and is served by public water and sanitary sewer. The site does not exhibit any known historic features of significance, nor does the site contain any known contamination which might prevent development of the site as proposed. No known encumbrance exists which would preclude development of the site with affordable housing

A review of the current State Development and Redevelopment Plan identifies the site is located in a Metropolitan Planning Area (PA1). A review of the Preliminary Cross-Acceptance maps for the SDRP, revised through July 2007, indicates that the site continues to be designated PA1. The site location is consistent with COAH Guidelines for the preferred location of affordable housing development within PA1, Metropolitan Planning Areas.

Based on its size and configuration, it appears that the site can be developed for affordable housing development consistent with the Residential Site Improvement Standards.

CLOVER SHOPPING CENTER Mixed-Use Redevelopment (Block 512.01/Lot 1)

This tract of land is located in the southeast portion of the Township and comprises approximately 15.2 acres of land. The property exhibits little or no slope and is presently developed with a shopping center.

Access to the site is presently provided from eastbound Route 70 and from Split Rock Drive East. State Route 70 is a principal arterial roadway. Split Rock Drive East is an existing local roadway.

NJ Transit Bus route 406 serves the site, which provides service to Camden and Philadelphia. Adequate access is provided to the site.

Existing development in vicinity of the site includes a mix of residential and commercial development. Commercial-retail and commercial-office uses are located along the Route 70 corridor. Single family detached residential development is located west, south and southeast of the site. The use of the site for mixed-use development, including affordable housing would be compatible with surrounding land use.

A review of environmental data provided by the New Jersey Department of Environmental indicates that the site and immediate surrounding lands exhibit no environmentally sensitive features (i.e., wetlands, flood plain, etc.). No environmentally sensitive features are exhibited on-site, which might preclude development of the site with affordable housing and mixed-use development. Public water and sewer is available to the site. The site is located in a sewer service area.

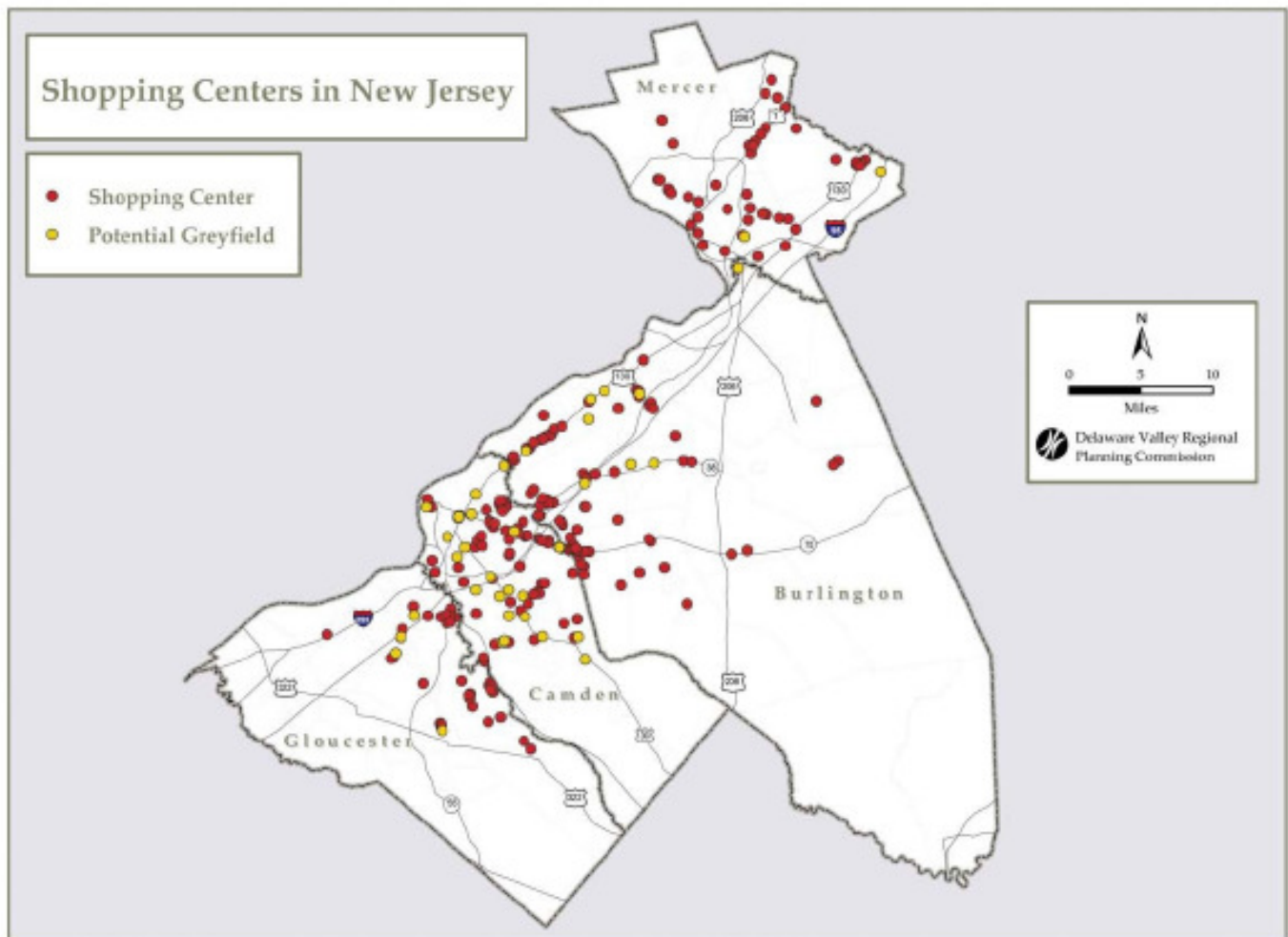
The site does not exhibit any known historic features of significance; nor does the site contain any known contamination which might prevent development of the site as proposed. No known encumbrances exists which would preclude development of the site with affordable housing

A review of the current State Development and Redevelopment Plan identifies the site is located in a Metropolitan Planning Area (PA1). A review of the Preliminary Cross-Acceptance maps for the SDRP, revised through July 2007, indicates that the site continues to be designated PA1. The site location is consistent with COAH Guidelines for the preferred location of affordable housing development within PA1, Metropolitan Planning Areas.

Based on its size and configuration, the site can be developed for affordable housing development consistent with the Residential Site Improvement Standards.

The redevelopment of these sites coincides with the national trends of greyfields and transit-oriented development. The growing national trend of vacant or underutilized shopping malls, also known as greyfields, is nowhere more prevalent than the greater Philadelphia area¹⁰. Cherry Hill has many shopping centers, as depicted on Map 1.

MAP 1. SHOPPING CENTERS & POTENTIAL GREYFIELDS IN NEW JERSEY



Many smaller strip malls were built in the 1950's and 60's to provide local personal services for immediate neighborhoods. As larger enclosed regional malls were built in the 1970's and 80's, many of these earlier smaller malls suffered with the loss of tenants. Today, mixed-use developments and 'Lifestyle Centers' that incorporate new urbanist design principles into an open air configuration are dominating the retail markets. However, these precursors to current retail

¹⁰ Delaware Valley Regional Planning Commission (DVRPC), 'Redesigning Shopping Centers in the Delaware Valley', June 2005, available at http://www.dvrpc.org/asp/pubs/publicationabstract.asp?pub_id=05023.

trends often stand vacant. As Cherry Hill accelerated in growth during this time, many large sites are underutilized shopping malls with high vacancy rates and an antiquated design.

CENTER NAME	CITY	STATE	TYPE	GLA (including anchors)	YEAR OPENED
Garden State Pavilions	Cherry Hill	NJ	Community	250,000	1999
Clover Shopping Center	Cherry Hill	NJ	Neighborhood		
Woodcrest Shopping Center	Cherry Hill	NJ	Community	100,000	1960
Super G Plaza	Cherry Hill	NJ	Community	121,618	

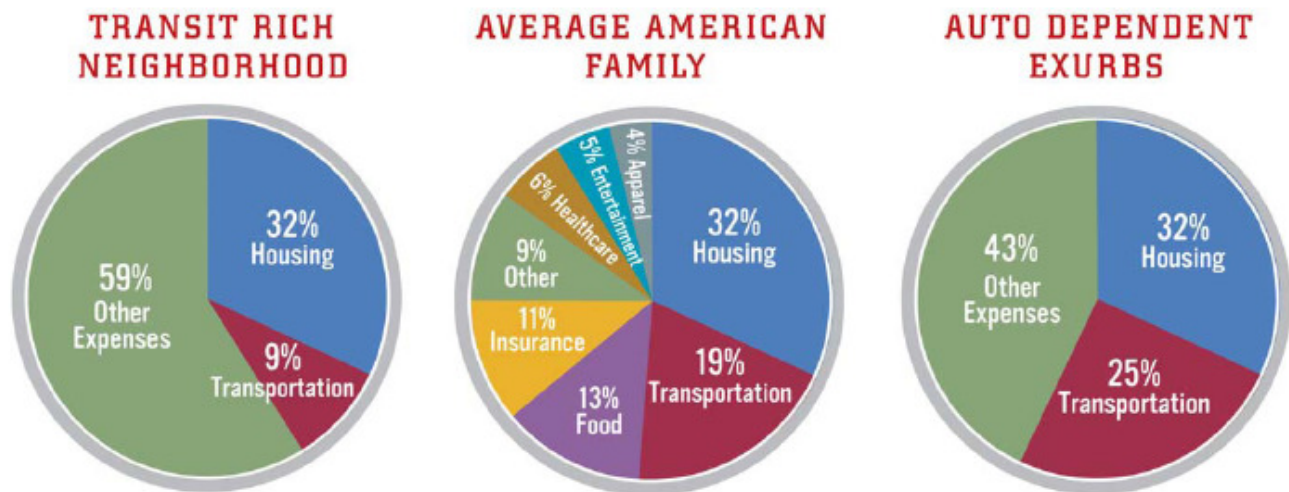
Source: DVRPC

By improving access management, public transit service, land use and design controls, greyfields have been revitalized. The implementation of mixed uses, including a variety of residential types, is often recommended as a remedy for these aging retail sites. In addition to creating a close consumer base, the neighborhood is stabilized, create a 24/7 community with continual occupation, and a sense of place for the overall community.

Each shopping center site listed is served by some form of public transit, from a single bus route to a rail station with multiple bus connections. Due to rising energy costs, worsening traffic congestion, change in demographics, and new federal focus on transit, the increase in transit-oriented development is expanding. Transit-Oriented Design (TOD) is the creation of compact, walkable communities centered around train or bus stations that provide a variety of land uses accessible without complete dependence on a car for mobility.

The inclusion of affordable housing units at these sites is crucial. A recent study¹¹ found that location is key to determining affordability. Those that live near transit save money on household transportation costs, which is crucial for low- and moderate-income households. The study found, “families who live in auto-dependent neighborhoods spend an average of 25 percent of their household budget on transportation, families who live in transit-rich neighborhoods spend just 9 percent” (Executive Summary, page 2).

¹¹ *Realizing the Potential: Expanding Housing Opportunities Near Transit: Reconnecting America's Center for Transit-Oriented Development*, 2007, available at http://www.reconnectingamerica.org/public/display_asset/rtpexecsumm



While the average family spends 19 percent of the household budget on transportation, and households in auto-dependent neighborhoods spend 25 percent, households with good access to transit spend just 9 percent. This savings can be critical for low-income households.
 Source: Center for TOD + Transportation Affordability Index, 2004 Bureau of Labor Statistics

The report recommends using housing policies and funding to encourage mixed-income housing near transit can be an important affordability strategy.

In the review of the Township's 2009 Housing Element, the Court Master suggested two other sites for overlay zoning. Therefore, the Township is proposing overlay zoning on:

PATCO SPEEDLINE WOODCREST STATION Mixed Use Redevelopment (Block 583.01/Lots 1 and 2)

This tract of land is located in the southwestern portion of the Township and comprises approximately 39.8 acres of land. The property exhibits little or no slope and is presently developed with a parking lot and train platform for the PATCO Speedline. The site contains approximately 12.8 acres of wetlands and floodplain in the southwestern portion of the site along the Cooper River and a Tributary of the Cooper River.

Access to the site is from Melrose Avenue (CR 667) and an exit from Interstate Route 295. This site has access to rail transportation provided by the PATCO Speedline that connects Lindenwold Borough with Philadelphia.

Existing development in vicinity of the site includes a mix of residential and commercial development. Industrial and Commercial-office uses are located along Melrose Avenue and Woodcrest Road corridor. Single family detached residential development is interspersed off Lakeside Avenue the northwest of the site. The use of the site for mixed-use development, including affordable housing would be compatible with surrounding land use.

The site does not exhibit any known historic features of significance; nor does the site contain any known contamination which might prevent development of the site as proposed. No known encumbrances exists which would preclude development of the site with affordable housing

A review of the current State Development and Redevelopment Plan identifies the site is located in a Metropolitan Planning Area (PA1). A review of the Preliminary Cross-Acceptance maps for the SDRP, revised through July 2007, indicates that the site continues to be designated PA1. The site location is consistent with COAH Guidelines for the preferred location of affordable housing development within PA1, Metropolitan Planning Areas.

Based on its size and configuration, the site can be developed for affordable housing development consistent with the Residential Site Improvement Standards.

AMERICA'S BEST VALUE INN (formerly Howard Johnson) Mixed-Use Redevelopment (Block 512.01/Lot 1)

This tract of land is located in the northwest portion of the Township and comprises approximately 4 acres of land. The property exhibits some slope from New Jersey Route 70 down to the Cooper River and is presently developed with a hotel/motel with a restaurant.

Access to the site is presently provided from eastbound Route 70 and from Split Rock Drive East. State Route 70 is a principal arterial roadway. Split Rock Drive East is an existing local roadway. NJ Transit Bus route 406 serves the site, which provides service to Camden and Philadelphia. Adequate access is provided to the site.

Existing development in vicinity of the site includes a mix of residential and commercial development. Commercial-retail and commercial-office uses are located along the Route 70 corridor. Multifamily apartments at the Bishop's View development are on the adjacent parcel to the west there are also some single family detached residential development located to the east on Donahue Avenue and West Hoffman Avenue. The use of the site for mixed-use development, including affordable housing would be compatible with the surrounding land uses.

A review of environmental data provided by the New Jersey Department of Environmental indicates that the site and immediate surrounding lands exhibit no environmentally sensitive features (i.e., wetlands, flood plain, etc.). No environmentally sensitive features are exhibited on-site, which might preclude development of the site with affordable housing and mixed-use development. Public water and sewer is available to the site. The site is located in a sewer service area.

The site does not exhibit any known historic features of significance; nor does the site contain any known contamination which might prevent development of the site as proposed. No known encumbrances exists which would preclude development of the site with affordable housing

A review of the current State Development and Redevelopment Plan identifies the site is located in a Metropolitan Planning Area (PA1). A review of the Preliminary Cross-Acceptance maps for the SDRP, revised through July 2007, indicates that the site continues to be designated PA1. The site location is consistent with COAH Guidelines for the preferred location of affordable housing development within PA1, Metropolitan Planning Areas.

Based on its size and configuration, the site can be developed for affordable housing development consistent with the Residential Site Improvement Standards.

Other Affordable Housing Efforts

The Township's 2009 Housing Element proposed additional housing compliance options, including the construction of age restricted housing and the conversion of least cost housing to affordable housing. The Township reserves the right to credit this housing to its unmet need or to a post 1999 affordable housing obligation for which Cherry Hill may be responsible. In reality, the crediting system employed does not matter to the low and moderate income households that will benefit from Cherry Hill's efforts.

Age-Restricted Housing

The Township's 2009 Housing Element proposed to construct 70 age-restricted housing units on one (1) of two (2) sites. Since the adoption of the Housing Element, the Diocese of Camden has approached the Township about constructing 74 units on a third site, at 1730 Kresson Road (Block 523.13, Lot 12) (Appendix D). The Diocese has received a HUD Section 202 funding commitment. All the HUD funded units shall be rentals affordable to very low income households.

Block 523.13, Lot 4 is adjacent to other housing and facilities for the elderly. The site is immediately south of undeveloped land associated with the Apostolic Church. It is north and north east of single family homes, the Saltzman House Senior Apartments and the Jewish Community Center. It is east of a nursing home and congregate care facility. It is west of 150 Section 202 units at the Village of Saint Mary's. The site is compatible with adjacent land uses.

The site has frontage on St. Mary's Road. St. Mary's Road is an improved private road that connects to Kresson Road (County Road 671). The site has access to appropriate streets.

The site has access to public water and sewer. There are no capacity issues associated with this infrastructure.

There are no major environmental constraints associated with the property. There are some wetlands that have been delineated; but the Diocese should have no problem constructing the affordable housing within the upland portions of the site.

The site lies in Planning Area 1. Planning Area 1 is a preferred location for affordable housing.

COAH's rules reference compliance with the Residential Site Improvement Standards (RSIS). COAH's rule making indicates that RSIS compliance need not be established until site plan approval. The site has yet to be engineered. However, the Township is confident that the site can be developed in a manner that is RSIS compliant.

There are no historic structures or architecturally important buildings in the vicinity of the site that must be reviewed by DEP's Historic Preservation Office to determine if a buffer is necessary between the proposed affordable housing.

The site is suitable for affordable housing. It has a HUD funding commitment. The Township has granted the Diocese its land use approvals. The Diocese has selected a contractor to build the housing.

Conversion of Least Cost Housing

The initial Mount Laurel Decision, in 1975, articulated a constitutional obligation for affordable housing. In response to the Decision, Cherry Hill embarked on an inclusionary zoning program in which private developers constructed affordable housing within multi-family communities. The program was implemented before the court and the Council on Affordable Housing (COAH) required affordable housing to be affordable to households earning less than 80 percent of median income. The Cherry Hill program was designed to be affordable to households earning less than 120 percent of median income.

The Township's program resulted in 116 affordable units. Each of the units is deed restricted in perpetuity in order to ensure that the affordable units remain occupied by and affordable to households earning less than 120 percent of median income. The Township has supplied a list of each unit in Appendix E of the Housing Element.

As deed restricted units, the Township is involved in the affirmative marketing and conveyance of each unit. Like a low and moderate income unit established pursuant to COAH's rules, the Township is provided notice of any intent to sell. The Township is responsible for: affirmatively marketing the unit; providing a list of potential buyers; and establishing a maximum permitted sales price that is controlled by an index. Cherry Hill's program allows each seller to achieve its maximum permitted sales price.

In the future, the Township will require, as a condition of sale, that the buyer of each unit be a qualified low and moderate income household. Moreover, the Township will subsidize the transaction, if necessary, so that the resulting low and moderate-income units conform to COAH and UHAC rules. COAH has endorsed a similar approach to extending controls at 40 N.J.R. 2768:

Municipalities may extend affordable housing controls on COAH units. *Administrative agents have been preserving these units by either converting them to 95/5 or by extending controls by placing a new deed restriction on the units when the units are sold during the initial restriction period.* (emphasis provided) This strategy may be employed by all municipalities to help preserve their stock of affordable housing. If the units are part of a homeowner's association and are paying reduced association fees, municipalities should negotiate with the association to allow the fees to increase to 100 percent if the municipality wishes to extend the controls on the units.

The proposed program is a hybrid of COAH's market to affordable program and extension of controls program. Unlike the market to affordable program, none of the units envisioned for this program are market-rate units. The units are affordable to households earning less than 120 percent of median income pursuant to an inclusionary zoning program that was designed in response to the initial Mount Laurel Decision. The program was designed well before COAH required half of all units to be affordable to households earning 50 percent or less of median income and the other half to be affordable to households earning less than 80 percent of median income.

The 116 units have been identified for the court. Each is deed restricted and the Township has the ability to subsidize future transactions so that the 116 units are affordable to and sold to low and moderate income households. There is no question that the Township has the ability to convert these 116 units into low and moderate-income housing.

To estimate the subsidy necessary to implement the proposed program, the Township has estimated the maximum permitted sales price on each of the 116 units. It has also estimated the cost of selling each unit to low and moderate income households (Appendix E). The Township estimates that the program will require a subsidy of \$29,000.00 per unit and 116 units are projected for this program.

The Township anticipates funding this program through its affordable housing trust fund. It has targeted \$3,379.44 for this program. The Township will bond, if necessary, to fund this program in order to address its realistic development potential.

The Township has prepared a draft operating manual that is attached within Appendix E. The manual includes an affirmative marketing plan for the program.

The administrative agent will be the Township's Department of Community Development. The Township's Department has administered the affirmative marketing, income qualification/selection process, and pricing of affordable units since the 1980s. If necessary, a Department representative will complete the Education Program for Administrative Agents required at N.J.A.C. 5:96-18 and/or the Township will hire an experienced Administrative Agent.

Waiver

COAH's rule regarding its market to affordable program (N.J.A.C. 5:97-6.9(b)3 requires a minimum subsidy of \$25,000 for each moderate income unit and \$30,000 for each low income unit. The Township requests a waiver from this rule based on the criteria established at N.J.A.C. 5:97-15.1.

At the outset, it is important to recognize that the program proposed by Cherry Hill is a hybrid of COAH's market to affordable program and COAH's extension of controls program. It is similar to the market to affordable program because the Township has expressed a willingness to subsidize housing so it is affordable to and occupied by low and moderate-income households. It is different from COAH's market to affordable program in that the Township is not purchasing *market* housing. It is purchasing housing that is deed restricted to households earning 120 percent of median income. Thus, there is every reason to believe that the subsidies necessary to implement the program will be less than if the Township was subsidizing housing that was free to sell on the open market.

The Township's proposal is also similar to COAH's extension of controls program articulated at N.J.A.C. 5:97-6.14 in that the Township is pursuing a program involving currently deed restricted housing. This program does not require a minimum subsidy. COAH has, through its comments and responses, allowed a municipality to take action that extends controls by administrative action, without any subsidy.

In addition, COAH's rules do not limit a municipality to those programs articulated at N.J.A.C. 5:97-6.1-6.14. N.J.A.C. 5:97-6.15 allows a municipality to propose innovative programs or mechanisms, or any combinations of mechanisms included in N.J.A.C. 5:97-6. With this rule, COAH has encouraged municipalities to "think outside the box" in order to create affordable housing.

With that background, COAH's Procedural Rules for granting a waiver state that COAH may grant waivers from specific provisions of its rules if the person (municipality) demonstrates that the strict application of the rule would create an unnecessary financial, environmental or other hardship; or

1. Granting the waiver fosters the production of affordable housing;
2. Granting the waiver fosters the intent of, if not the letter of, the Council's rules; and,
3. The Housing Element and Fair Share Plan provide a mix of housing option.

Hardship

The 116 units that are the subject of the proposed program were created as part of an inclusionary zoning program that responded to Mount Laurel I. The program was established prior to COAH's formation and prior to any rule that established the upper limit for income qualified residents at 80 percent of median income. In creating the 116 least cost housing units, the Township provided the zoning that subsidized the units in order to promote affordability for households earning less than 120 percent of median income.

Having subsidized the units through inclusionary zoning and after maintaining affordability through a municipally sponsored program, it may not be necessary to subsidize each moderate-income unit at a rate of at least \$25,000 or each moderate income unit at a rate of at least \$30,000 per unit.

Having subsidized these units once and having maintained affordability over time, it would be an unnecessary financial hardship to require the Township to subsidize the 116 units as if they are market units. They are not market units. They are deed-restricted units affordable to households

earning less than 120 percent of median income. They should not require the same subsidy as market housing. The required subsidy should be based on what is necessary to deliver a sound, affordable unit to the target population.

Granting the waiver fosters the production of affordable housing.

Granting the waiver clearly fosters the production of affordable housing. It allows Cherry Hill to focus on delivering sound affordable housing to the target population as efficiently as possible. The efficient use of funds is especially important in a municipality, like Cherry Hill, where land is a scarce resource since zoning options are limited by the availability of land.

Granting the waiver fosters the intent of, if not the letter of, the Council's rules.

The intent of N.J.A.C. 5:97-6.9 is to create affordable housing from the existing housing stock. The intent of N.J.A.C. 5:97-6.14 is to preserve existing affordable housing over time. The Cherry Hill proposal takes existing affordable housing and makes it more affordable over time. It is consistent with the intent of both COAH's rules.

COAH's rule making creates a different standard for receiving credit for housing activity that took place prior to COAH's formation at N.J.A.C. 5:97-4.2. COAH's philosophy has been to recognize efforts to create affordable housing that preceded COAH's rule making and COAH has created relaxed crediting standards that, for example: provide credit for units created between 1980 and 1986 that are not deed restricted; and provide unlimited credit for age restricted housing constructed between 1980 and 1986.

Cherry Hill created affordable units prior to COAH's formulation and rule making. The proposed program allows the Township to provide an additional subsidy to these affordable units so that they become credit worthy. It is consistent with COAH's rules to recognize all prior efforts to create affordable housing.

Finally, N.J.A.C. 5:97-6.15 encourages municipalities to provide innovative programs that provide affordable housing. Cherry Hill's proposed program is consistent with the spirit and letter of N.J.A.C. 5:97-6.15.

The Housing Element and Fair Share Plan provide a mix of housing options.

COAH's requirement to consider the mix of housing options is not relevant to whether a waiver should be granted. The Township's Housing Element does include a mix of housing options. It includes a rehabilitation program designed to bring existing substandard low and moderate-income housing units up to code standard. The Township has provided a great deal of inclusionary zoning in which the Township has allowed the private sector to create market housing that helps subsidize the price of affordable housing. The market housing helps satisfy a need for households who, though not of low and moderate income, would have difficulty affording housing without the resulting inclusionary developments. The Housing Element also includes various 100 percent affordable projects that the Township has constructed and has proposed to address the needs of low and moderate income households. The Township's response to its affordable housing obligation includes a variety of age-restricted housing and affordable housing for families. In addition, the Township's Housing Element includes group homes that house an at-risk population. It also includes the 116 "least cost" units that the Township is proposing to make affordable to low and moderate-income households.

In summary, the Township has already provided a subsidy through past inclusionary zoning efforts to create housing that is affordable to households earning less than 120 percent of median income. The Township created this housing prior to COAH's formation and regulations that established affordability criteria for credit. The market to affordable program provides minimum subsidies predicated on converting market housing to low and moderate income housing. *The rule does not anticipate providing subsidies for housing that has already been subsidized once.* It would be an unnecessary economic hardship to impose COAH's minimum required subsidies when the subsidy is not necessary to create low and moderate income housing.

The proposed program is as similar to COAH's extension of controls program as it is to the market to affordable program. There is no minimum subsidy required in the extension of controls program (N.J.A.C. 5:97-6.14). The focus of the extension of controls program is to provide the subsidy necessary to maintain an affordable unit over time. The court should apply the same standard to the Township's proposal for the 116 units proposed for this program.

The waiver allows the Township to use its affordable housing trust fund money efficiently and, therefore, helps promote affordable housing. The waiver is consistent with the intent, if not the letter, of COAH's rules. COAH's rules have attempted to recognize municipal efforts to produce affordable housing that preceded COAH's formation. The Township's Housing Element includes a mix of housing options. Cherry Hill's conversion program qualifies for a waiver.

Other Sites to Address The Unmet Need/Growth Share

Pursuant to the Township's 1993 Stipulation of Settlement, the Township has an obligation to capture affordable housing opportunities if specific sites become available for development. This obligation is carried forward with this plan, including the following sites: Merchantville Country Club; Woodcrest Country Club; Springdale Farm; Barclay Farm; Springhouse Farm Trust; and Apostolic Church.

APPENDICES